रजिस्ट्री सं० डी० 221 REGISTRATION No. D. 221

भारत का राजपत्र
The Gazette of India

असाधारण
EXTRAORDINARY
भाग I—खण्ड 1
PART I—Section I

प्राधिकार से प्रकाशित
PUBLISHED BY AUTHORITY

सं० 78] नई दिल्ली, सोमवार, मई 4, 1970/वैशाख 14 1892
No. 78] NEW DELHI, MONDAY, MAY 4, 1970/VAISAKHA 14, 1892

इस भाग में भिन्न पृष्ठ संख्या दी जाती है जिससे कि यह अलग संकलन के रूप में रखा जा सके ।
Separate paging is given to this Part in order that it may be filed as a separate compilation.

GOVERNMENT OF INDIA

MINISTRY OF FOREIGN TRADE

PUBLIC NOTICE

IMPORT TRADE CONTROL

New Delhi, the 4th May, 1970

No. 66-*ITC*(*PN*)/70.—A revised edition of the Import Trade Control Hand Book of Rules and Procedure is issued under this Public Notice.

2. Copies of the Import Trade Control Hand Book of Rules and Procedure, 1970 will be available for sale from the 5th May, 1970.

3. The last dates prescribed for submission of applications for import licences under the Import Policy for Registered Exporters and Established Importers for the period April, 1970—March, 1971 may be deemed to have been extended by a period of one month.

R. J. REBELLO,
Chief Controller of Imports & Exports

LICC of I&E/70

CHAPTER I

INTRODUCTION

Origin and Development of the Legislation

1. **Origin** : Import Trade Control was first introduced in India as a war-time measure in the early stages of the Second World War. A notification to this effect was issued on May 20, 1940, in exercise of the powers conferred by the Defence of India Rules. The primary object of this measure was to conserve foreign exchange resources for the successful prosecution of war and to make the best possible use of the limited shipping space available. To being with, the import of only 68 commodities, mainly consumer goods, was subjected to control. Subsequently, with the growth of exchange difficulties, it became necessary to extend the control to other commodities as well. On December 31, 1940, unmanufactured and semi-manufactured steel was brought under control. On February 15, 1941, the import of machine tools was controlled. On August 23, 1941 most of the remaining commodities, particularly capital goods and other goods required for industrial purposes, were brought within the ambit of control. In January, 1942, the remaining few items were also subjected to control, thus covering the whole field of imported articles under the system of control. On July 1, 1943, a consolidated notification was issued pertaining to all the controlled items, except machine tools.

2. **Development of the legislation** : After the end of the War and the lapse of the Defence of India Rules in September, 1946, Import Trade Control was kept alive by the Emergency Provisions (Continuance) Ordinance, 1946. This was replaced by the Imports and Exports (Control) Act, 1947 (18 of 1947), which came into force on the 25th day of March, 1947. The Act was initially valid for a period of three years. Thereafter, it was extended by two successive terms of five years each and one term of six years upto March 31, 1966. It has been further extended by five years upto March 31, 1971. Under this Act, the Central Government issued several notifications which were replaced by a consolidated Order called the Imports (Control) Order No. 17/55 dated December 7, 1955. This Order, as amended from time to time, continues to be in force. The Imports and Exports (Control) Act, 1947, and the Imports (Control) Order 1955, as amended, are reproduced in Appendices 1 and 2 to this book.

3. **Items under control** : At present, the Import Control covers practically all articles. Such articles are included in Schedule I to the Imports (Control) Order, 1955, and their import is prohibited except under and in accordance with a licence or a customs clearance permit issued under the said Order or an Open General Licence issued by the Central Government, or if they are covered by any of the 'Savings,' mentioned in Clause 11 of the aforesaid Order. Import of gold, silver, currency notes, bank notes and coins is controlled by the Reserve Bank of India under the Foreign Exchange Regulations Act.

Licensing Authorities

4. The Office of the Chief Controller of Imports was set up in New Delhi on August 23, 1941. Subsequently, other subordinate licensing offices were also set up.

5(1) Apart from the Chief Controller of Imports and Exports, New Delhi, (telegraphic address CHIFCONIMPEX), there are the following regional licensing authorities. Their telegraphic addresses and jurisdictions are given below :—

Licensing authorities and their jurisdiction.	Telegraphic Address
(i) The Joint Chief Controller of Imports and Exports, 4-Esplanade East, Calcutta, with jurisdiction over the States of Orissa, Bihar, West Bengal, Tripura and Andaman and Nicobar Islands.	CONIMPEXTRA CALCUTTA
(ii) The Joint Chief Controller of Imports and Exports, Central Govt. offices, New Building, SE Wing, New Marine Lines, Church Gate, Bombay with jurisdiction over the whole of reorganised States of Madhya Pradesh and Maharashtra.	CONIMPEXTRA BOMBAY
(iii) The Joint Chief Controller of Imports and Exports, Customs House, Madras, with jurisdiction over the whole of Tamil Nadu State.	CONIMPEXTRA MADRAS
(iv) The Joint Chief Controller of Imports and Exports, Central Licensing Area, Indraprastha Bhavan, 'A' Wing, New Delhi, with jurisdiction over the whole of Rajasthan, Punjab, Haryana, Delhi, Chandigarh and Himachal Pradesh.	CONIMPEXTRA NEW DELHI
(v) The Deputy Chief Controller of Imports and Exports, Ashirwad Building, Panjim (Goa), with jurisdiction over Goa, Daman and Diu, and Dadra and Nagar Haveli.	CONIMPEXTRA PANJIM
(vi) The Deputy Chief Controller of Imports and Exports, T.D. Road, Ernakulam, Cochin-11, with jurisdiction over whole of Kerala State and Laccadive, Minicoy and Aminidivi Islands.	CONIMPEXTRA ERNAKULAM
(vii) The Deputy Chief Controller of Imports and Exports, 7/194, Swaroop Nagar, Kanpur-2, with jurisdiction over the whole of Uttar Pradesh.	CONIMPEXTRA KANPUR
(viii) The Deputy Chief Controller of Imports and Exports, Multi-storied offices Building, near Lal Darwaja, Ahmedabad with jurisdiction over the whole of Gujarat State excluding those districts of old Bombay State, which were formerly known as Saurashtra and Kutch.	CONIMPEXTRA AHMEDABAD
(ix) The Deputy Chief Controller of Imports and Exports, Premises no. 11-6-860, Red Hills, Hyderabad, with jurisdiction over the whole of Andhra Pradesh, except areas which are under the jurisdiction of Controller of Imports and Exports, Visakhapatnam.	CONIMPEXTRA HYDERABAD

(x)	The Controller of Imports and Exports Desai Building, Bhupindra Road, near Town Hall, Rajkot, with jurisdiction over those districts of old Bombay State which were formerly known as Saurashtra and now included in Gujarat State, excluding Kutch.	CONIMPEXTRA RAJKOT
(xi)	The Controller of Imports and Exports, P.B. No. 14, Pondicherry, with jurisdiction over Pondicherry, Karaikal, Mahe and Yanam.	CONIMPEXTRA PONDICHERRY
(xii)	The Controller of Imports and Exports, 25.8.109, Main Road, Visakhapatnam, with jurisdiction over four districts of Andhra Pradesh, namely, Srikakulam, Visakhapatnam, East Godavari and West Godavari.	CONIMPEXTRA VISAKHAPATNAM
(xiii)	The Controller of Imports and Exports, Syndicate Bank Building, P.B. No. 688, Gandhi Nagar, Bangalore-9, with jurisdiction over the whole of Mysore State.	CONIMPEXTRA BANGALORE
(xiv)	The Controller of Imports and Exports, C.B.R. Building, Mal Road, Amritsar with jurisdiction for issue of licences to registered importers who have opted to obtain their licences from him for imports from Afghanistan.	CONIMPEXTRA AMRITSAR
(xv)	The Controller of Imports and Exports, Srinagar, with jurisdiction over the State of Jammu & Kashmir, (Note : During winter, this Office is shifted to Jammu along with the Secretariat of the J. & K. Government).	CONIMPEXTRA SRINAGAR
(xvi)	The Controller of Imports and Exports, Customs House, New Kandla, with jurisdiction over those districts of old Bombay State which were formerly known as Kutch and now included in Gujarat State (including New Kandla Free Trade Zone) but excluding areas in Saurashtra.	CONIMPEXTRA NEW KANDLA
(xvii)	The Controller of Imports and Exports, Morele Building, Shillong, with jurisdiction over the State of Assam, N.E.F.A., Manipur and Nagaland.	CONIMPEXTRA SHILLONG

(2) From April 1, 1969, the licensing authorities dealing with iron and steel and ferro-alloys have also been placed under the Chief Controller of Imports and Exports, New Delhi. The addresses and jurisdiction of these regional licensing authorities are given below :—

	Licensing authorities and their jurisdiction.	Telegraphic Address
(i)	Deputy Iron & Steel Controller, Central Government offices New Buildings, North West Wing, New Marine Lines Churchgate, Fort, Bombay-1, with jurisdiction for issue of import licences to actual users (excluding those sponsored by the D. G. T. D., the Jute Commissioner and the Tea Board) situated in the States of Maharashtra, Gujarat, Madhya Pradesh, Goa, Daman and Diu, and Dadar and Nagar Haveli and actual users sponsored by the Textile Commissioner.	DYLIAISON BOMBAY

(ii) Assistant Iron & Steel Controller, Central Govt. offices Buildings, New Town ship-IV, Faridabad, with jurisdiction for issue of import licences to actual users sponsored by the D. G. T. D. and those situated in the States of Rajasthan, Uttar Pradesh, Punjab, Haryana, Jammu & Kashmir, Himachal Pradesh, Delhi and Chandigarh. — REGNALSTEEL FARIDABAD

(iii) The Joint Chief Controller of Imports and Exports (Iron and Steel Division), 33-Netaji Subhas Road, Calcutta-1, with jurisdiction for issue of import licences to the following categories :— — CONIMPEXTRA CALCUTTA

(a) Actual users (except those whose sponsoring authorities are the Director General of Technical Development/Textile Commissioner) in the States of West Bengal, Bihar, Orissa, Assam (including N. E. F. A.), Nagaland, Tripura, Manipur, and Andaman and Nicobar islands and also actual users whose sponsoring authorities are Tea Board/Jute Commissioner.

(b) Public sector undertakings including S.T.C., M.M.T.C., Major steel plants as well as steel plants in the private sector.

(c) Import applications against Government contracts *i.e.* contracts placed by the D.G.S. & D., Railways and Defence.

(iv) Dy. Asstt. Iron & Steel Controller, Shastri Bhavan, Central Govt. offices Building, Block-2, 35, Haddows Road, Madras-6, with jurisdiction for issue of import licences to actual users (excluding those sponsored by the D.G.T.D., the Jute Commissioner, the Tea Board and the Textile Commissioner), situated in the States of Tamil Nadu, Mysore, Andhra Pradesh, Kerala, Pondicherry, Karaikal, Mahe, Yanam and Laccadive, Minicoy and Amindivi Islands. — DYLIAISON MADRAS

(3) The jurisdiction of the licensing authorities for the purpose of licensing under the import policy for registered exporters is given separately in Chapter V of this book.

CHAPTER II

GENERAL LICENSING PROCEDURE

6. The instructions contained in this book will be applicable subject to such amendments as may be made in future and the provisions of the relevant Import Trade Control Policy Book.

Categories of importers

7. (1) For the purpose of licensing, importers are divided into the following broad categories :—

(i) Established Importers.

(ii) Actual Users :

(a) Industrial.

(b) Services (i.e., non-industrial).

(c) Hospitals and institutions.

(d) Actual users to whom licences are issued under the import policy for registered exporters.

(iii) Others.

(2) The applications for licences are considered in terms of the relevant policy in force.

Application Forms

8. (1) The applications for licences are required to be made on prescribed forms.

(2) There are separate forms of application for (i) established importers, (ii) actual users, not borne on the registers of the Directorate General of Technical Development, including small scale industries, (iiii) actual users borne, on the registers of the Directorate General of Technical Development, (iv) Public Sector projects/undertakings, (v) Capital Goods and Heavy Electrical Plant, (vi) establishment of quotas or revision of quotas by established importers, and (vii) registered exporters. Application forms have also been prescribed for newspaper establishments, for revalidation of import licences and for replacement licences. These forms are given in Appendix 3 to this book. The application form for registered exporters is given in Appendix 4.

(3) The forms of application can be obtained from all the licensing offices and also from authorised dealers in Government publications on payment of 12p. per form. If the forms are not readily available the applicants can use their own typed, cyclostyled or printed copies of the prescribed forms. The application forms prescribed for actual users, other than those borne on the books of the D.G.T.D., may also be available from the offices of the State Directors of Industries.

(4) An applicant should submit one or more copies of the application, as required, under the rules or as indicated in the prescribed application form.

Persons authorised to sign applications

9. (1) Application for an import licence should be signed by a person duly authorised by the applicant. The position/authority held by the person signing the application should be clearly stated in the application.

(2) An application which is not duly signed by a person authorised to sign it, on behalf of the applicant, will be liable to be summarily rejected, without prejudice to any action that may be taken against the person signing the application.

Application fees

10. (1) An application for import licence should be accompanied by a fee, in accordance with the scale prescribed in Schedule III to the Imports (Control) Order, 1955, dated the 7th December, 1955, reproduced in Appendix 2 to this book. The scale of application fees has been revised with effect from the 1st May, 1967, and the revised scale is applicable to all import applications, whether made on annual basis or others. (Appendix 2 contains the revised scale of fees).

(2) An application for additional licence or replacement licence should also be accompanied by a fee, in accordance with the prescribed scale.

(3) In respect of subsidiary licences, or duplicate licences, a fee of Rs. 5/- will be charged for each licence.

(4) In the case of 'second' appeal, preferred to the Chief Controller of Imports and Exports, New Delhi, against the decision of a licensing authority, a fee of Rs. 5/- is required to be paid.

(5) **Head of Account:** Fee should be deposited, in cash, at any Government Treasury, office of the State Bank of India or the Reserve Bank of India, transacting the business of Central Government, for credit to the Central Government under a separate head 'Import Licence Application Fees', subordinate to the major head 'XXXII Miscellaneous, Social and Developmental Organisation'. The treasury or bank receipt must show the name of the department viz., 'Import and Export Trade Control Organisation', and particulars of the application for the grant of import licence, namely, description of goods for which the licence is applied for, with their value, and the licensing period, in the column: "full particulars' in the challan form T.R. 6, and must be attached to the application, before submitting the same to the proper authority. The application must also contain details of the treasury receipt, under which the requisite fee has been deposited.

(6) Applicants are advised, in their own interest, to prefer the treasury challans to the licensing authorities, complete in all respects. Incomplete treasury challans will not be accepted.

(7) In case where an applicant has lost the original treasury/bank receipt or challan, the licensing authority may accept a certificate from the treasury office/bank/Accountant General, Commerce, Works and Miscellaneous, New Delhi, in support of the amount having been deposited. In such a case, the applicant should also file an affidavit on a stamped paper,

to the effect that the treasury/bank receipt/challan in question, has been lost and has not been utilised in obtaining or applying for a licence or for claiming a refund or in any other manner; and that, if found subsequently, it shall be returned to the licensing authority concerned for record and will not be utilised in any manner. The particulars of the treasury/bank receipt/challan, namely, the licensing period, the amount and description of goods etc., should also be stated in the affidavit.

Exemption from payment of fees

11. (1) Exemption has been granted from payment of fees on applications for licences in certain cases, in terms of Clause 4 of the Imports (Control) Order, 1955, dated the 7th December, 1955. Also, according to the Table in Schedule III to the said Imports (Control) Order, no fees shall be leviable on an application where the goods sought to be imported, are required for the personal use of the applicant, for purposes not connected with trade or manufacture, irrespective of the value of such goods. This exemption is not, however, applicable to the import of cars and other vehicles.

(2) Newspaper establishments, applying for import of newsprint for a value covering a quantity of not more than 40 tons have also been exempted from payment of application fees.

(3) No fees shall be payable in respect of an application made by a State or Central Government or any Department or, Office of State or Central Government, or local authority, or an educational or charitable institution importing goods for its own consumption, even if the import is made through another agency, under a letter of authority.

(4) If any applicant belongs to any of the aforesaid exempted categories, he should say so clearly in his application for licence.

(5) No application fee will be charged in cases where the import of any item has been canalised through a recognised agency; and the actual users or others are allowed to obtain allotments of such goods directly from such agency, without making an application to the licensing authority concerned.

Refund of application fees

12. (1) The application fee once received is not refundable except in the circumstances specified in Clause 4 of the Imports (Control) Order, 1955, dated the 7th December, 1955.

(2) An application for refund of fee will be entertained by the licensing authority, within whose jurisdiction the fee was paid. While making the application for refund, the applicant should send the original treasury/bank receipt or challan, pertaining to the fee sought to be refunded. In case the original receipt/challan has been sent with the application for licence, the number and date of the receipt/challan and the name of the treasury/bank where fee was deposited, should be given. The applicant should also furnish the following particulars in respect of the application for import licence, if any, made or desired to be made, for which the amount of fee sought to be refunded, was deposited :—

(a) Description and value of goods;

(b) I.T.C. classification of the goods;

(c) Category of licence; (AU/EI/CG etc.);

(d) Name of the licensing authority;

(e) Licensing period;

(f) Name of the sponsoring authority, if the application has been or was required to be submitted through any such authority; and

(g) Reference number and date of the last communication received from the licensing authority.

(3) The applicant should also state clearly the reasons for claiming refund of the application fee. Moreover, where an application for refund is not made within a reasonable time, the delay should be explained by the applicant. It may be clarified that no application for refund of fee is entertainable, if made after the expiry of 3 years from the date when the right to have the refund of the fee accrued.

(4) The licensing authority may also call for any information or details from the applicant for considering his claim for refund.

(5) In a case where the applicant has lost the original treasury/bank receipt or challan, the licensing authority may accept a certificate from the treasury office/bank/Accountant General, Commerce, Works and Miscellaneous, New Delhi, in support of the amount having been deposited. In such a case, the applicant should also file an affidavit on a stamped paper to the effect that the treasury/bank receipt or challan, in question has been lost and no refund of the amount thereof has been separately claimed or obtained or will be claimed and that the treasury/bank receipt or challan, if found subsequently, will be returned to the licensing authority concerned; and will not be utilised in obtaining or applying for a licence or in any other manner. The particulars of the treasury/bank receipt or challan, namely, the amount and the description of goods etc., should also be stated in the affidavit.

(6) The refund order issued to an applicant will be valid for a period of 3 months only, in accordance with Rule 403-A of the Central Treasury Rules (Vol. I). Requests for revalidation may be considered on merits, for a period not exceeding 9 months from the date of expiry of the refund order.

Income-tax Verification

13. (1) Subject to the exceptions made in these provisions, all applicants for import licences are required to obtain Income-tax Verification Certificate/Registration/Exemption Number from the appropriate licensing authority and to quote that number in their applications for licences.

(2) Where the import of any goods has been canalised through a recognised agency and the actual users or others are required to obtain allotments of imported goods through such an agency, the applications for such allotments should also be supported by valid I.V.C. Registration/Exemption Number.

(3) The procedure for allotment of Income-tax Verification Certificate Registration/Exemption numbers (I.V.C. No.) is set out in Appendix 5

to this book. It is not necessary for an applicant to obtain separate I.V.C. Registration/Exemption Number from each licensing authority; and the Number allotted by any one of the licensing authorities, will be accepted by all the licensing authorities.

(4) The I.V.C. Registration/Exemption Number allotted against a complete Income-tax Verification Certificate will be valid for the financial year in which the certificate is issued and for the subsequent two successive financial years.

(5) Applicants in whose cases the production of I.V.C. Registration/ Exemption Number, has been dispensed with, are categorised in the Appendix referred to in sub-para. (3) above.

(6) **Interim relief :** In the absence of a valid I.V.C. Registration/Exemption Number, where required, the applicant will be given a specified time to produce it, failing which the application will be liable for rejection. Applicants should, therefore, take steps to obtain their I.V.C. Registration/ Exemption Numbers in good time so as to be able to quote the same in their applications for licences. However, in cases of genuine difficulty, the licensing authority may dispose off the application for licence from any actual user or established importer or registered exporter in anticipation of the production of valid I.V.C. Registration/Exemption Number, and issue the licence, if otherwise admissible, advising the applicant to produce the required number before the end of the relevant licensing period or within such time as may be specified. This facility will not, however, be available to an applicant in two successive licensing periods..

Classification of stores

14. The Schedule I to the Imports (Control) Order, 1955, reproduced in Appendix 2 to this book, commonly known as the I.T.C. Schedule, contains the classification of all the articles that enter into the import trade. The Schedule is divided into six parts and broadly covers the following classes of goods :—

Part I.—Iron and steel and non-ferrous metals and manufactures thereof.

Part II—

(i) Metals and manufactures thereof, other than those covered by Parts, I, IV, V and VI of the I.T.C. Schedule.

(ii) Machinery, spares and mill stores required for certain industries like jute, tea, iron and steel, electric supply undertakings, mines and quarries.

(iii) Engineering stores, such as ball bearings, small hand tools, precision and measuring tools, abrasives and belting.

(iv) Certain types of electrical instruments, apparatus and appliances, electric control and transmission gear, electric fans and earthenware/porcelain used in electrical items and installations.

(v) Transport materials.

Part III.—

(i) Certain chemicals and auxiliaries used in the textile industry other than jute and hemp.

(ii) Coal tar dyes and derivatives.

(iii) Raw cotton.

(iv) Textile machinery and parts and mills stores for the textile industries other than jute and hemp.

Part IV.—Consumer goods.

Part V.—Industrial requirements, such, as certain classes of machinery, chemicals, manures, paints, and colours and printers' materials, printing and lithographic materials, agricultural implements and instruments and apparatus and appliances, plastic materials and manufactures.

Part VI.—Machine tools.

Co-relation between I.T.C. and I.C.T. classification

15. An attempt has been made to co-relate, as far as possible, the I.T.C. Schedule (except Part VI) with the Indian Customs Tariff. A constant review is undertaken to ensure that whenever there are changes in the I.T.C. or I.C.T. classification, such changes are co-related.

Correct classification to be ascertained before making any application for licence

16. (1) An intending importer should ascertain the correct I.T.C. classification of the goods he intends to import (with reference to serial or sub-serial number and part of the I.T.C. Schedule), so that he may be able to apply to the proper licensing authority for a licence and to know exactly the licensing policy in respect of the articles for which he is applying. If an article is incorrectly classified by an importer, there is a possibility of the application for licence being diverted to a wrong licensing authority or of its being rejected. The importers should, therefore, in their own interest, make sure of the correct classification of the articles for which they are applying.

(2) An importer should also give the fullest description of the articles applied for so that any mistakes in the I.T.C. classification can be corrected while issuing a licence. Moreover, if an article is correctly described in the import licence, even if the I.T.C. classification shown against that item is not correct, the importer is not likely to experience difficulty in the clearance of goods on arrival.

Procedure for ascertaining correct calssification

17. (1) An exhaustive alphabetical index of articles is attached to Import Trade Control Policy Book issued from time to time; and this will enable the importer to ascertain the correct I.T.C. classification of any particular article. If an importer is in doubt in regard to the correct classification of any article, he should make a reference to the appropriate regional licensing authority for clarification and advice in the first instance. To enable such authority to take a correct view in the matter, the importer should give the fullset description of the article in question, its end-use and the purpose of enquiry. He should also send illustrative literature, about that article and

the sample thereof, wherever possible. If the tariff item under which the article is assessed to duty by the Customs is known, it should also be indicated. The I.T.C. authorities will attend to such enquiries on an urgent basis.

(2) Where the regional licensing authority is not a position to determine the correct I.T.C. classification of an article or where there is a difference between one regional authority and the other in regard to such classification, the matter is referred to the Chief Controller of Imporst and Exports, New Delhi. Such references are resolved by a Committee in the Office of the Chief Controller of Imports and Exports, New Delhi, where the Directorate General of Technical Development and the Central Board of Excise and Customs are also represented. The decisions taken in the Office of the Chief Controller of Imports and Exports in regard to the I.T.C. classification are announced by means of Public Notices wherever necessary. Such decisions are also incorporated in the alphabetical index attached to the Import Trade Control Policy Book.

Currency areas

18. (1) Previously, the countries of the world were devided into two major groups (i) the Dollar Area and (ii) the Soft Currency Area, for licensing purposes. The distinction between Dollar and Soft Currency areas was removed from the licensing period April, 1961—September, 1961.

(2) Import licences of the following two types are now issued :—

(i) "General Area licences" which are valid for import from all countries; and

(ii) "Specific licences", such as, licences issued under Capital Goods and H.E.P. schemes, licences issued for import from rupee payment area, etc., which are valid for import from specified country or countries.

No licence is valid for import from South Africa/South West Africa. 'General Area' includes all countries except South Africa/South West Africa. Import licences are also not valid for import from Rhodesia vide Government of India, late Ministry of Commerce Order No. 9/65, dated the 17th November 1965, from Tibet-region of China vide late Ministry of Commerce Order No. S.O./3742, dated 17th December, 1962, and from Portugal vide late Ministry of Commerce Order No. 9/67 dated 1st August, 1967.

Licensing period

19. Previously, the import policy was published, on half-yearly basis. But, with effect from the financial year April 1962—March 1963, the Import Trade Control Policy Book (Red Book) contains the policy for a whole financial year.

Import policy

20. (1) The import policy is announced on the eve of each financial year, by means of a Public Notice which is issued in the form of a book called the Import Trade Control Policy Book, commonly, known as the "Red Book", which is a priced publication and is available for sale with the licensing authorities at the ports and the Manager of Publications, Delhi,

and other authorised dealers in Government publications. Any important changes in policy that may become necessary in the mid-term of the financial year, are separately notified by means of Public Notice.

(2) With effect from the period April 1968—March 1969, the import policy has been published in two separate Volumes. Volume I contains the import policy for established importers, actual users and others excluding registered exports; and Volume II pertains to the import policy for Registered Exporters.

Licensing authorities

21. (1) Names of the licensing authorities and their jurisdiction are given in para 5 of this book.

(2) Unless otherwise provided, an application for import licence in respect of an item should be made to the licensing authority as shown in the relevant Import Trade Control Policy. Where the licensing authority is shown as port or regional licensing authority, the applicant should apply to the particular licensing authority under whose jurisdiction his business is established. But, in the case of an actual user, the determining factor for this purpose is the location of the factory and not of the management, and the actual user should apply to the licensing authority, within whose jurisdiction his factory is located. However, in cases where any specific licensing authority has been shown against any item, as for example, Bombay, Calcutta, etc., all the applications for that item should be made to that authority, irrespective of the jurisdiction of any other licensing authority, in relation to the location of the applicant's business or factory, unless otherwise provided.

(3) The actual users should submit their applications for import licences to the licensing authorities, as indicated for each category of actual users in Chapter IV of this book, through the sponsoring authority concerned, unless otherwise provided. Where an actual user has got factories and organizations at different places, falling under the jurisdiction of different licensing authorities or one licensing authority, he should submit separate applications for each unit in respect of each end product (which includes related end products) to the licensing authority concerned through the sponsoring authority.

However, in case of actual users borne on the register of DGTD and having factories or organisations at different places, the head office may submit consolidated applications covering the requirements in respect of raw materials, components and spare parts of all the factories and organizations in respect of the same end-product (which includes related end-products) to the CCI&E through the DGTD. The requirements of each factory or unit may be separately enumerated in a list to be appended to such application. On such consolidated application, the licensing authority will issue separate licences in respect of each factory/ unit, in terms of the policy in force, if admissible.

(4) Where an established importer has more than one office in India, the location of the branch or office in whose name the quota certificate stands, will determine the licensing authority to whom the application for licence should be made. Thus in the case of an established importer having offices in Delhi and Calcutta, if the quota certificate is in the name of Delhi office, the application should be addressed to the Joint Chief Controller of

Imports and Exports, Central Licensing Area, New Delhi. The same principle will apply where different branches of an established importer have been functioning as separate entities and having their own quota certificates. A branch situated in the jurisdiction of Joint Chief Controller of Imports and Exports, Bombay, will apply to him for licences against all its imports through different ports; while the branch situated in the jurisdiction of, say, Joint Chief Controller of Imports and Exports, Calcutta, will, similarly, apply to him on the basis of its total imports. In this connection attention is also invited to the provisions of para. 46 of Chapter III regarding the selection of a common basic year by the head office and all its branches.

Licensing authority in respect of iron and steel items

22. (1) The Deputy Iron and Steel Controller, Bombay, the Assistant Iron and Steel Controller, Faridabad, and Dy. Assistant Iron & Steel Controller, Madras and the Iron & Steel Division of the office of the Joint Chief Controller of Imports & Exports, Calcutta, are the licensing authorities for controlled items of iron and steel (including ferro-alloys) falling in Part I of the I.T.C. Schedule. From April 1, 1969, these licensing authorities have been placed under the Chief Controller of Imports and Exports, New Delhi.

(2) **I.D.A. industries :** Actual users engaged in the I.D.A. priority industries (listed in Appendix 6) should, in respect of their requirements for iron and steel items for these industries, apply for import licences to the respective I.T.C. authorities, and not to the licensing authorities, referred to in sub-para (1) above. In this connection, attention is invited to the procedure for submission of such applications laid down in Chapter IV of this book.

(3) **Kandla Free Trade Zone.**—The licensing authority in respect of iron and steel items in the case of units situated in Kandla Free Trade Zone, is the Controller of Imports and Exports, New Kandla.

(4) **Registered Exporters' policy :** Applications for licences in respect of iron and steel items under the import policy for Registered Exporters should be made to the I.T.C. authorities, and not to the Iron and Steel Control licensing authorities, referred to in sub-para. (1) above.

One application for each commodity in one licensing period

23. (1) An applicant should make only one application in a licensing period, in respect of goods falling under the same serial or sub-serial number of the I.T.C. Schedule, except in the following cases or where otherwise provided :—

(a) Machinery items, required by actual users.

(b) Raw materials/components/spares required by actual users; and

(c) Applications for licences made under the import policy for Registered Exporters.

(2) In cases where more than one application is submitted for items falling under the same serial or sub-serial number of the I.T.C. Schedule, applicants should furnish detailed reasons for doing so. Cross reference

of the previous application should distinctly and invariably be made in the relevant columns of the application. Any omission or breach of this rule will render the applicant liable to be debarred from receiving licences, without prejudice to any other action that may be taken against him under the Imports and Exports (Control) Act, 1947 or the Order issued thereunder.

Registration of Licences at Ports

24. (1) A licensee is required to get his licence registered with the Customs authorities at a specified port. The licence will be valid for import only at the port of registration specified on the licence, except where the Customs authorities at the port of registration, on a sufficient cause being shown to their satisfaction that the goods had to be imported at a different port, permit the issue of a release advice for import at a port other than the specified port.

(2) The applicants should invariably indicate in their applications for import licences, the particular port where they intend to register the licence, if issued, with the Customs authorities. The licensing authority concerned will indicate in the licence the port of registration by an endorsement made thereon.

(3) The licensing authority may entertain requests for amendment in regard to port of registration in cases where the licence has not been registered, or where the licence has been registered but the goods have not arrived. Such amendments, where made, will be duly intimated to the Customs authorities at the port of registration originally indicated in the licence.

(4) Requests for amendment in regard to the port of registration in respect of licences issued by any licensing authority will be entertained by all the regional licensing authorities.

(5) Where the Customs authorities at the port of registration issue a "release advice", the Customs authorities at the port of clearance will allow clearance on the basis of such "release advice" if the import is otherwise in order. In such cases, the import licence will be debited by the Customs authorities at the port of registration at the time of issuing the "release advice" and the Customs authorities at the port of clearance will debit the "release advice".

(6) The provision of this paragraph will apply to import licences issued on or after 1st April, 1970. For earlier licences, the provisions of the relevant Import Trade Control Hand Book of Rules and Procedure will apply.

Last date for submission of applications

25. (1) The last dates for submission of applications for licences are indicated in the relevant Import Trade Control Policy Book. Applicants are advised in their own interest to submit applications well in advance of the last date so as to reach the licensing authority or the sponsoring authority concerned, as the case may be, before the last date, as an application received after the prescribed last date is liable to be summarily rejected.

(2) However, in case, the prescribd last date falls on a public holiday or a bank holiday, applications, complete in all respects, received on the following working day will be deemed to have been received by the last date.

(3) In deserving cases, the licensing authorities may condone Postal delays caused in cases where the applicants despatch their applications well in time.

Important hints to importers

26. (i) The application for licence should be made in the prescribed form.

(ii) The application form should be filled neatly and accurately. No column should be left blank. The words "yes" or "no" or "not applicable" can be used against the columns in the application form wherever necessary. If the applicant is not able to give answer to any particular column, he should give a positive reason for the same.

(iii) The information in the prescribed form should be given faithfully and correctly.

(iv) The description and I.T.C. classification of the goods should be given fully and correctly in the application form.

(v) The original treasury/bank receipt showing payment of application fee on the value applied for, should be attached to the application.

(vi) The I.V.C. No. should be quoted in the application where necessary.

(vii) All the required documents should be attached to the application and all the enclosures to the application should be detailed in the covering letter of the application, giving particulars of each document.

(viii) The application should be signed by an authorised person who should give his address and the position held by him.

(ix) Separate applications should be submitted for articles falling under a serial or a sub-serial number of the I.T.C. Schedule, except where otherwise provided.

(x) The postal address of the applicant should be given completely and neatly.

(xi) The correct and complete reference number, if any, of the licensing authority should be quoted.

(xii) The application should be sent by post to the appropriate licensing authority or sponsoring authority concerned, as provided in the procedure, or delivered at the counter in the office of the licensing authority or the sponsoring authority, as the case may be before the last prescribed date.

(xiii) The actual users borne on the registers of Director General of Technical Development should also quote in their applications the code number allotted to them by the DGTD. If no code number has been allotted, the words "not allotted", should be written against the appropriate column at the top of the prescribed application form.

(xiv) The actual user should submit a consolidated application covering the requirements of unit in respect of raw materials and components for each end-product (including related end-products), as provided in Chapter IV of this book.

(xv) All actual users should submit their applications through the sponsoring authority concerned, wherever necessary.

(xvi) While furnishing the lists of goods sought to be imported, the applicants should ensure that the lists are prepared on a good and durable paper in order to avoid probable inconvenience at the time of clearance of

goods at the Customs. In the case of units borne on the books of the DGTD, the applicants should ensure that the extra copies of the list of goods prepared by them for submission to the licensing authority are strictly in accordance with the list cleared by the DGTD.

(xvii) Enquiries regarding interpretation of policy or procedure may be addressed to the Chief Controller of Imports and Exports, New Delhi.

(xviii) On receiving an import licence, the licencee should carefully check whether the licence received by him is complete in all respects. In particular, the licencee should check whether :—

(a) The licence is accompanied by the list of items, permitted for import, if such list has been referred to in the body of the licences.

(b) Each page of the list has been duly signed by the licensing authority.

(c) Each page of the list bears the security seal affixed by the licensing authority.

(d) The changes, if any, made in the list have been duly attested by the licensing authority.

(e) Both the copies of the licence bear the security seal affixed by the licensing authority.

(f) The conditions imposed on the licence have been duly signed by the licensing authority.

(g) The condition, if any, deleted from the licence has been attested by the licensing authority.

(h) In the case of licences issued against foreign credits, the conditions applicable to the credit have been attached to the licence, if there is a reference to such attachment in the body of the licence: and such conditions have been duly signed by the licensing authority.

(i) Every signature of the licensing authority appearing on the licence, or on the list attached to the licence, or on the conditions attached to the licence, has been duly authenticated by a security seal affixed above the signature.

(j) There is any omission in the licence which prevents the licensee from operating upon the licence.

If the licencee finds that the licence is deficient in any respect he should immediately bring the matter to the notice of the licensing authority concerned and return the licence to the licensing authority for doing the needful.

CHAPTER III

ESTABLISHED IMPORTERS

Definition

27. (1) Established importers are those who have been actually engaged in the import trade of the articles comprised in any serial or sub-serial number, of the I.T.C. Schedule during at least one financial year (1st April to 31st March) falling within the basic period specified for the said serial or sub-serial number. The importers may choose the most favourable year from the basic period for the purpose of obtaining quota certificates.

(2) An established importer may be (i) an individual, (ii) a partnership firm, (iii) a karta of a Hindu undivided family in respect of the family business, (iv) a limited company or (v) any association or body of individuals.

Basic Period

28. (1) With effect from April 1970—March 1971, the basic period will be from 1st April 1951 to 31st March 1968, for all items, unless otherwise provided.

(2) No application for fixation/re-establishment of quotas will be accepted in respect of past imports in any financial year prior to 1st April, 1951. However, quotas already fixed in respect of past imports during the period from 1937-38 to 1944-45 and from 1945-46 to 1950-51, will continue to be accepted for the grant of quota licences until further notice.

(3) No applications for refixation or re-establishment of quotas will be entertained in the following cases :—

(i) For items licensable to established importers at a quota of more than 100 per cent.

(ii) For items falling under a particular serial number or sub-serial number of the I.T.C. Schedule, but imported against a licence for a different serial number or sub-serial number, under the concession of interchangeability or under other provisions applicable to established importers, or others. In such cases, applications for fixation or establishment of quotas will also not be entertained.

(iii) In respect of imports made during a financial year within the prescribed basic period by the head office or a branch of an established importer against a consolidated import licence obtained by the head office or a branch on the basis of past imports standing in the name of the head office and the branches.

(iv) In respect of imports made during a financial year within the prescribed basic period on the basis of more than one quota licence issued to an established importer in respect of the same quota certificate for different licensing periods.

(4) Except in cases covered by sub-para. (3) of this paragraph the importers can apply for re-fixation or re-establishment of their existing quota certificates on the basis of past imports during any of the years from 1961-62 to 1967-68, or during any other year, within the prescribed basic period, provided such other year has been included in the basic period for the first time during the licensing period 1968—March 1969, or the importer was unable to apply for re-fixation of quota earlier on account of a change in the ownership or constitution of business for which the application for TQR was pending, or he could not apply earlier for other valid reasons beyond his control to the satisfaction of the licensing authority.

Quota Certificates on Security Forms

29. (1) A quota certificate as referred to in para. 27 above, is issued by a licensing authority to an established importer in token of acceptance of his past imports of a particular commodity falling under a serial or a sub-serial number of the I.T.C. Schedule, in a financial year selected by him within the specified basic period. All quota certificates are issued on security form, a specimen of which is given in Appendix 7. Import licences are granted to established importers on the basis of valid quota certificates.

(2) The application for establishment/refixation of quota should be made to the regional licensing authority concerned. Even in respect of items licensable to established importers by the Headquarters Office of the Chief Controller of Imports and Exports, the applications for establishment/ refixation of quota certificates have to be made to the regional licensing authority in whose jurisdiction the business of the applicant is established.

(3) After the grant of the quota certificate, if the licensing authority, has any doubt, it may call for the original documents to recheck the applicant's past imports and, on verification, the quota certificate may be amended, reduced in value or cancelled. Quota certificate will also be liable to cancellation or amendment or reduction in value if it has been granted by inadvertence or by mistake or contrary to rules or has been obtained by fraud or misrepresentation.

Documents to be furnished for fixation or refixation of quotas

30. (1) A quota certificate is issued on the basis of the following documents :—

(i) (a) The triplicate copy of the Customs Bill of Entry for home consumption; (b) in the case of goods bonded on arrival, copy of original 'into bond' Bill of Entry and 'Ex-Bond' Bill of Entry certified by the Customs authorities; (c) in the case of duty-free goods, the Exchange Control copy of the bill of Entry.

(ii) Invoice pertaining to the goods imported;

(iii) Bank memo., Bank draft or other evidence of payment, such as a certificate from the concerned Bank or the original Exchange Control copy of the licence showing endorsement of the amount remitted duly authenticated by the Bank, and particulars of licences, etc., against which the imports were made.

N.B.—(a) In the case of duty-free goods, if the importer is unable to produce Exchange Control copy of the Bill of Entry on the ground that it had been retained by the Reserve Bank of India, the triplicate copy of the Bill of Entry, or the certified copy of the Bill of Entry will be accepted.

(b) In the case of goods bonded on arrival, if the importer is unable to produce 'into bond' Bill of Entry for valid reasons to the satisfaction of the licensing authority and where the importer is able to produce evidence that no transfer of ownership of goods took place while the goods were in bond, the licensing authority may accept the 'Ex-bond' Bill of Entry in lieu of 'into bond' Bill of Entry, provided the importer files an affidavit :—

(1) that for reasons stated in the affidavit, he is not able to furnish the 'into bond' Bill of Entry;

(2) that no transfer of ownership of the goods took place when the goods were in bond;

(3) that no quota has been or will be claimed against the 'into bond' Bill of Entry for the same goods from licensing authority.

In such cases, the date of original bond when the goods were first entered into bond will be reckoned as the date of importation for the purpose of calculation of quota and not the date given in the 'Ex-bond' Bill of Entry.

(c) If, for valid reasons, an importer is unable to produce the Customs copy of the Bill of Entry where such copy is required to be produced, but produces the Exchange Control Copy thereof or a true copy of the Bill of Entry certified by Customs authorities, the case may be considered on merits by the licensing authority after the importer concerned files an affidavit in the form given in Appendix 8 to this book.

(iv) In the case of imports made by post, the Postal Declaration Form or Customs Duty Receipt with relevant invoice, Bank draft and the particulars of licence, etc., against which the import was made, should be produced.

N.B.—(a) If an importer is unable to produce Postal Declaration Form or Customs Duty Receipt, then the documents namely, Bill of Exchange, Banker's Memorandum of payment and the relevant invoice duly attested by a Customs Appraiser, will be accepted in lieu.

(b) In cases where the importers are unable to produce the required evidence for proving past imports made by post, certificates of postal imports giving the description of goods contained in the parcel and the duty paid by the importer, issued by the Assistant Collector of Customs, Postal Appraisement, will also be

accepted in lieu of the prescribed evidence; provided the importer files an affidavit to the effect that he has not claimed a quota previously on the basis of the postal way bills, memoranda of payment and relative invoices etc., in respect of the same goods nor will he do so in future. The licensing authority will consider the application if it is satisfied on the basis of the evidence produced that the imports were actually made within the basic period and that payment was actually made for the goods.

(v) In the case of imports from Pakistan, Land Customs Appendices supported by corresponding invoices, and Solas (Bank memos) and any other satisfactory evidence of payment for the imported goods, will be accepted.

(2) Apart from the original documents of past imports as prescribed, the application for establishment/re-fixation of quota should also be accompanied by certified or photostat copies of the documents of past imports. Where an applicant is not readily in a position to furnish the certified copies or photostat copies of all the documents with his application for quota certificate, the licensing authority may issue the quota certificate provisionally valid for one period only subject to the production of certified or photostat copies of the original documents of past imports to the licensing authority concerned. Such provisional quota certificate will bear the following endorsement :—

"Provisional for one period only and subject to regularisation on furnishing the certified copies or photostat copies of all the documents of past imports to the licensing authority".

On production of the copies of documents of past imports, the above endorsement will be deleted.

Basic imports

31. (1) Subject to the provisions of sub-para (2) below, the licensing authority will, on the basis of the above documents, determine the 'basic import' of the applicant, i.e., the c.i.f. value of his imports of goods falling under the same serial number or sub-serial number from the General Area/Pakistan in a common completed financial year selected by the importer within the prescribed basic period. The licensing authority will then issue a quota certificate on security form for the value as determined.

Provided that in the case of a Serial No. or Sub-Serial No. for which two separate quota licences could be issued during October 1960—March 1961 licensing period on former General Area and former Soft Currency Area in respect of past imports falling in different basic years from the former Dollar and Soft Currency Areas respectively, the parties holding such two quota certificates will be allowed to retain such quota certificates until further notice.

(2) Quota Certificates are issued on the basis of past imports from all countries included in the General Area other than Pakistan, Afghanistan, Nepal, Tibet, Bhutan, Sikkim and former Portuguese or French possessions in India. But the importer will be entitled to an additional quota certificate on Pakistan on the basis of his imports from Pakistan only; provided the

basic year for these imports is the same as the one on the basis of which the importer has obtained his quota certificate on General Area.

Issue of separate quota certificate in respect of past imports from Pakistan

32. The quota certificate in respect of past imports from Pakistan, as stated in para. 31 above, will be issued to an importer on the basis of original documents, indicated in para. 30 above. It is essential that the importers should obtain their quota certificates on the basis of their imports from Pakistan simultaneously with their quota certificates on General Area. Similarly they should, while applying for re-fixation of quotas on the General Area, invariably submit their quota certificates on Pakistan along with their old quota certificates on Soft Currency Area/Dollar Area.

Imports which will not be counted as basic imports

33. The following categories of imports will not be taken into account in calculating the importer's quota :—

(a) Imports made in contravention of the Import Trade Control rules and regulations.

(b) Imports made without a valid licence and cleared under a warning.

(c) Imports made in excess of the value of the licence and allowed to be cleared by the Customs authorities whether on payment of fine/penalty or otherwise. Only such excess will not qualify for quota fixation.

(d) Imports made by the applicant under a letter of authority authorising him to import goods against a licence granted to another party.

(e) Imports made under licence granted against the orders of the late D.G. (I. & S.) (now D.G.S. & D.) or of the State Railways or of the Defence Ministry.

(f) Imports made under licences granted to actual users in respect of raw materials or accessories or other articles.

(g) Imports made under adhoc licences (other than those adhoc licences which were issued for imports of goods for stock and sale purposes only) or licences granted subject to express condition that imports thereunder will not be taken into account in calculating quotas whether the licences are marked N.Q.Q. or not.

(h) Imports made against C.G. & H.E.P. licences by actual users or other imports against orders from actual users. However, imports made against C.G. & H.E.P. licences for stock and sale purposes will be taken into account for purposes of calculation of quota only in respect of S. No. 36/II, S. No. 4/III and S. No. 65/V of the I.T.C. Schedule.

(i) Imports of goods of no commercial value made under O.G.L. IV.

(j) Imports made against licences granted under the export promotion schemes, avocation schemes or under the import policy for Registered Exporters.

(k) Imports made against "replacement licences".

(l) Imports of casual nature e.g., imports for personal use or imports as samples.

(m) Imports of equipments against licences issued under the Irrigation Projects Licensing Scheme.

(n) Imports made under licences issued through inadvertence or mistake or contrary to rules or provisions of Imports (Control) Order, 1955, as amended, or obtained by fraud or misrepresentation, subsequently detected.

(o) Imports made by an actual user under O.G.L. or otherwise of goods which were used by the actual user in his own factory/ establishment.

(p) Licences issed against specific orders from actual users.

(q) Goods which are not cleared for home consumption.

(r) Imports made against licences issued under the National Defence Remittance Scheme (N.D.R.S.).

(s) Imports of an item falling under a particular serial number or sub-serial number of the I.T.C. Schedule, made against a licence pertaining to a different S. No. or Sub Serial number, under the concession of interchangeability or under other provisions applicable to established importers or others in the utilition of their licences. (Quotas already fixed will not, however, be disturbed).

(t) Any other imports which do not qualify for quota under the import policy in force.

Imports allowed under warning by Customs—Acceptance for fixation of quota

34. In some cases, goods might have been imported under a licence; but the Customs authorities may find some discrepancy in the goods and the imports may not be exactly covered by the licence against which the goods are sought to be cleared. Again, there may be cases where the goods are allowed to be cleared on the basis of wrong advice regarding classification given by the I.T.C. authorities or the Customs Houses. In cases of this nature, the Customs warn the importer and may permit the clearance of goods. Such imports, though allowed to be cleared after issue of a warning by the Customs, will qualify for quota fixation. However, the quota will be fixed only under the correct I.T.C. classification of the goods, if otherwise admissible.

Determination of the date of import in connection with past imports

35. In determining whether a particular import falls in any particular financial year for the purpose of fixation/refixation of quota, the following dates will be reckoned to be the dates of importation :—

(a) In the case of goods cleared for home consumption, the date given in the oval stamp affixed on the relevant Bill of Entry;

(b) In the case of duty free goods cleared for home consumption, the date of the Import Duty Free Number (I.D.F. number);

(c) In the case of goods bonded on arrival and subsequently cleared from bond for home consumption, the date on which the goods were bonded by Customs authorities;

(d) In the case of post parcels, the date assigned to the way bill by the Post Office.

(e) In the case of imports by land route, the date on which Customs duty is recovered by the Customs authorities; in the case of duty-free goods imported by land route, the date on which the Land Customs appendices are passed by the Customs authorities for clearance of the goods for home consumption.

Procedure for quota fixation in case of change in the classification of items

36. In cases where classification of an item or article changes from one serial number of the I.T.C. Schedule to another, the licensing authority will take into account the past imports of such item or article for establishment/re-fixation or recalculation of quota under the new serial number, if otherwise admissible. In doing so, it will be ensured that :—

(i) The importer's quota under the old serial number is correspondingly reduced and his quota certificate duly amended; and

(ii) Only such past imports are taken into account for the purpose of re-fixation/re-calculation of quota as are in respect of the same basic year as the importer's original quota certificate for the new serial number in question.

Procedure for submission of applications for establishment of quotas

37. (1) Applications for establishment or refixation of quotas should be made in the prescribed form (Form 'F'), and should be accompanied by :—

(i) the previous quota certificate, wherever it is sought to be revised;

(ii) a certified copy of the import licence, if any received for the previous licensing period;

(iii) a statement of basic year's imports in the prescribed form, supported by relevant documents mentioned in paragraph 30 above, together with certified or photostat copy of each of the documents duly signed by the applicant; and

(iv) a statement giving reasons to prove the necessity for the establishment or refixation of the quota.

(2) Applications for establishment/refixation of quotas will be entertained, if otherwise admissible, in respect of items for which the basic period

has been extended or in cases in which the licensing authority is satisfied that the applicant has been unable for some good reason *e.g.*, litigation or financial difficulties etc., to prove his basic imports and to establish his quota to participate in the import trade in the previous licensing periods. The need for establishing fresh quotas will also arise in cases in which the item or article in question has been allotted a separate serial number, or the system of quota licensing in respect of the item or the article has been introduced for the first time.

(3) Notwithstanding anything contained in sub-para (2) above, no belated application for establishment/refixation of quota will be entertained in respect of any serial number or sub-serial number where the delay in making the application exceeds five years. However, the delay may be condoned in cases where the licensing authority is satisfied that it was due to circumstances beyond the control of the applicant.

(4) Separate applications for establishment or refixation of quotas should be made in respect of items falling in different serial numbers or sub-serial numbers of the I.T.C. schedule.

(5) The applications for establishment/re-fixation of quotas should be made, complete in all respects, within the date prescribed in the relevant Import Trade Control Policy Book. However, in cases where there is a change in the name, constitution or ownership of a business requiring recognition by the I.T.C. authority, it is not necessary for the new or the reconstituted concern to submit their applications for the establishment/ re-fixation of quotas within the prescribed date in respect of past imports standing in the name of the original concern. In such cases, the application for establishment/re-fixation of quotas should be made within a period of 30 days from the date of the applicant's recognition as new established importer.

(6) **Late applications for quota:** Applications for establishment/ re-fixation of quotas received incomplete, or after the prescribed last date, will be liable to be summarily rejected. The licensing authority may, however, entertain an application which is received, complete in all respects, within 30 days from the prescribed last date, or where the deficiencies in an incomplete application are made good either within 30 days from the prescribed last date for receipt of the application, or within 30 days from the date on which the applicant is informed of the deficiencies by the licensing authority. But, in such cases, although the quota certificate will be granted, if otherwise admissible, the value of the licence issued on the basis of such quota certificate, for the licensing period during which late or incomplete application for quota certificate is made, will be reduced by 25 per cent. This cut will also be applicable to minimum value licences.

Note.—The absence of documents of past imports will be considered as a deficiency for the purpose of the provisions of this sub-paragraph.

(7) The licensing authority may also entertain a late or deficient application for establishment/re-fixation of quota, which is not otherwise acceptable in terms of the provisions made in sub-paragraph (6) above. But this will be subject to the condition that a quota certificate, if otherwise admissible and issued on the basis of such application, will not be valid for the grant of a licence for the licensing period during which such late or deficient application has been made.

Fixation of quota for items under O.G.L. or S.G.L. or which are banned for import or whose imports are canalised

38. No application for fixation or refixation of quota for items which are under O.G.L. or S.G.L. or which are banned or whose imports are canalised through some particular agency and are not open to established importers, will be entertained. However, to avoid hardship that may be caused by the strict application of this rule, the licensing authority may relax the rule in the following types of cases :—

(i) Where an application for fixation of quota for a particular item remains pending for one period or more and, at the time of finalisation of the case, it so happens that the import of the item is banned, the quota certificate may not be refused merely on the ground that the item had been subsequently banned.

(ii) Where an importer holds a quota certificate for a serial number which is subsequently split into various sub-serial numbers, some of which are banned, the original quota certificate may be split up by issuing fresh quota certificates in respect of past imports of each of the sub-serials including the banned ones;

(iii) Where the import of certain machinery etc., is banned but there is a provision in the relevant policy for the grant of licences for spare parts against the past import of such banned machinery the quota certificate may be issued for such machinery in spite of the ban to enable the applicant to obtain licence for spare parts in terms of the policy.

(iv) Where an item is on O.G.L. or S.G.L. (Special General Licence) for import from specified country or countries only, the quota certificate may be issued in respect of such item, in spite of the item being on the O.G.L. or S.G.L.

Cases in which quota certificates/licences will not be issued

39.(1) No quota certificate will be issued to an established importer if the value of the past imports on which quota is claimed is up to the minimum value indicated below :—

Quota percentage on articles as given in the relevant Import Trade Control Policy.	The value of past imports on which no quota certificate will be granted.
(i) 25% or less	Rs. 100/-
(ii) Over 25%	Rs. 200/-

(2) An established importer will not be eligible to a licence where his entitlement under the relevant import policy works out to Rs. 100 or below, or the value of his quota certificate or past imports on which licence is claimed is upto Rs. 200.

40. (1) If the application for a quota certificate is made within the date prescribed for submission of such applications in terms of the policy in force and the application is complete in all respects and is accompanied by all the required documents, efforts will be made by the licensing authority to grant the quota certificate as early as possible before the expiry of the licensing period in which the application is made. However, there may be cases where the grant of the quota certificate is delayed for one reason or the other. The grant of licences for back periods against such quota certificate will be considered in terms of the provisions contained in para. 47 of this book.

(2) If an application for a quota certificate is not disposed off within a period of 21 days from the date of its receipt in the Quota Fixation Section, the licensing authority will issue an interim reply to the applicant. If an applicant does not receive an interim reply even after this time limit, he can bring the matter to the notice of the Public Relations Officer in the Import Trade Control Office concerned or book an interview with the Officer concerned through the Enquiry Officer in order to know the reasons for the delay in the disposal of his application.

41. In para 20 of Section I of the Import Trade Control Policy Book for January-June, 1955 period it was notified that with effect from July-December, 1955 licensing period, the old quota certificates on non-security form, will not be accepted for the grant of import licences. However, such of the importers who had not received quota certificates on security form, were advised to do so immediately; and this concession had been extended upto July-December, 1956 period. With effect from January-June, 1957 period, the quota certificates, if any, on non-security paper are not accepted for calculation of quotas. It may be noted that, in no case, will an import licence be granted on the basis of the old quota certificate (i.e., quota certificate not issued on security form).

Issue of duplicate quota certificates

42. (1) Where a quota certificate is lost or misplaced, the established importer can file an affidavit on stamped paper in the form prescribed in Appendix 8 to this book and apply for the issue of a duplicate quota certificate. The affidavit should be sworn before a 1st Class Magistrate or a Notary Public.

(2) Where a quota certificate on security form gets torn or worn out by frequent handling, the established importer can apply for the issue of a duplicate quota certificate in lieu of such quota certificate.

(3) The applications for issue of duplicate quota certificates in such cases should be made to the licensing authority who had issued the original quota certificate in question.

(4) It will be open to the licensing authority to ask for the original documents such as Bill of Entry, etc., to verify the applicant's past imports before issuing duplicate quota certificate.

Basis of quota licences

43. (1) Established importers can get quota/additional/supplementary licences on the basis of a valid quota certificate issued on security form, in terms of the import policy in force.

(2) The application for licence should be submitted by an applicant in the prescribed form, complete in all respects, so as to be received by the licensing authority concerned within the date prescribed for this purpose in the relevant Import Trade Control Policy, and duly accompanied by :—

(a) A valid quota certificate issued on security form;

(b) Treasury/bank receipt showing payment of the application fee on the value applied for;

(c) Any other document considered necessary or prescribed in terms of the provisions of this book or the relevant Import Trade Control Policy Book or Public Notices/Trade Notices issued in this regard.

(3) The documents of past imports on the basis of which the quota certificate has been issued, need not be produced by the applicant along with his application for quota/additional/supplementary licence. But it will be open to the licensing authority to ask for the original documents of imports such as Bill of Entry etc., to verify the applicant's past imports before issuing the licence.

(4) Where there is a change in the name, ownership or constitution of an established importer's business requiring recognition by the I.T.C. authority, it is not necessary for the new or the reconstituted concern to submit their applications for the grant of quota licences within the prescribed date in respect of quotas standing in the name of the original concern. In such cases, the established importer should make applications for quota licences within a period of 30 days from the date of endorsement of quota certificate or issue of fresh quota certificate, based on the applicant's recognition as established importer. However, where such applications for quota licences happen to be made after the expiry of the licensing period to which the applications relate, the provisions of paragraph 47 of this book will be applicable in the disposal of such applications also.

(5) If instead of obtaining the import licence on the basis of the quota certificate held by the applicant, he desires, for some good reason, to have his quota established afresh or revised, he should submit his application for establishment/refixation of quota to the licensing authority concerned as provided in paragraph 37 above. Previously, the application for the establishment of quota used to form part of the application for grant of licence; but in the interest of simplicity and despatch. the application for establishment or revision of quota is now required to be made separately.

(6) Where an applicant has submitted an application of establishment/refixation of quota complete in all respects within the last date prescribed for the submission of such application, he should submit his application for licence within 30 days from the date of issue of the quota certificate or within the last date prescribed for submission of applications for licences in terms of the relevant import trade control policy, whichever date is later. Where an applicant has submitted an application for refixation of quota, but such application is rejected, and the applicant wants to apply for import licence on the basis of the quota certificate already held by him, he should submit his application for the licence within 30 days from the date of such rejection of the application for refixation of quota, even if the applicant intends to make an appeal against the rejection.

(7) Applications received after the prescribed date are liable to be summarily rejected. Applicants are, therefore, advised in their own interest to submit applications complete in all respects much in advance of the prescribed last date. The licensing authority may, however, entertain an application from an established importer for quota/additional/supplementary licence which is received complete in all respects or is completed by supplying the deficiencies within 30 days from the prescribed last date for receipt of such application or where the deficiencies are completed within a period of 30 days from the date on which the applicant is informed of the deficiencies by the licensing authority. But in such cases, the value of the quota, additional/supplementary licence, if otherwise due, will be reduced by 25 per cent. If, in such cases, the application is received complete in all respects or is completed after a period of 30 days but within 60 days, the value of the licence, otherwise admissible, will be reduced by 50 per cent. This cut will also be applicable to minimum value quota/additional/supplementary licences.

Note.—The absence of a treasury challan for the requisite amount or a quota certificate or any other important document required to be furnished by the applicant along with his application for licence will be considered as a deficiency for the purpose of the provisions of this paragraph.

(8) It may be clarified that where an import licence is subject to cut in value in terms of the provisions of sub-para (7) of this paragraph as well as sub-para 37(6) above, the total cut to be imposed on the applicant's entitlement in such a case wil be 50 per cent or 75 per cent, as the case may be.

Procedure for calculating value of quota licences

44. (1) A quota licence is given to an established importer as a percentage of the value of his past imports as appearing in the quota certificate in accordance with the import policy in force.

(2) The distinction between Dollar and Soft Currency Areas was removed for the purpose of issuing import licences with effect from the period April 1961—September 1961. Consequently, established importers are required to make only one application for a quota licence on 'General Area', on the basis of the past imports in any financial year, within the prescribed basic period, in respect of articles falling under the same serial number or sub-serial number of the I.T.C. Schedule.

(3) In the case of serial number or sub serial number for which separate quota licences could be issued immediately before the removal of distinction between the two currency areas, i.e., during October 1960—March 1961 period, on the former General Area and the former Soft Currency Area respectively, the parties holding two quota certificates in respect of past imports from Dollar and Soft Currency Areas, falling in different basic years, will be eligible to receive quota licences on the combined value of two quota certificates.

(4) Established importers having two quota certificates in respect of an item, issued from the former Dollar Area and former Soft Currency Area respectively, prior to April 1961—September 1961, should make only one application for a licence in respect of such item from General Area, in the manner indicated below :—

(i) In the case of items which were licensable from Soft Currency Area only during October 1960/March 1961 licensing period,

the established importer holding two quota certificates on former dollar area and former soft currency area will be entitled to receive quota licence on the combined value of both the quota certificates provided the past imports shown in the quota certificates fall in the same financial year within the basic period. But if the imports fall in different basic years, the established importer will be free to claim a quota licence only on one quota certificate which may be advantageous to him for the purpose of obtaining a quota licence.

(ii) In the case of a serial number or sub-serial number for which separate quota licences could be issued on General Area and Soft Currency Area during October 1960/March 1961 licensing period, the established importer holding two quota certificates in respect of past imports from former Dollar and former Soft Currency Areas in the same or different financial years, within the basic period, will be eligible to receive quota licence on the combined value of the two quota certificates. In such cases also the established importer should submit only one application for a quota licence.

Note.—It may be clarified that the concession of granting quota licences on the combined value of two certificates issued prior to April —September 1961 period, will not be available when the quota has to be refixed consequent upon change in the classification of go ods, introduction of a new serial no./sub-serial no. or split up of the existing serial no. sub-serial no. into two or more serial nos./sub-serial nos. The fresh quota certificate issued will be in respect of past imports of the goods admissible for quota fixation under the particular serial no. or sub-serial no. in a common financial year selected by the importer within the prescribed basic period.

(iii) The established importers should give declaration in the following form along with their applications :—

"We possess/do not possess two quota certificates for serial number/sub-serial number (to be specified) and declare that we have submitted no other application for obtaining quota licence."

Note.—This declaration has been incorporated in the application form 'A' meant for established importers and need not, therefore, be furnished separately. This declaration is also not necessary in the case of applications for licences based on quota certificates issued after 31st March, 1961.

(5) As a measure of relief to importers from Pakistan, separate licences will be issued based on the quota certificates pertaining to the past imports from Pakistan. The value of such separate licences will be calculated on the same quota percentage as is applicable in respect of the item concerned for import from General Area as a whole in terms of the relevant Import Trade Control Policy, in the same manner as indicated in this para. The separate licences so issued will be valid for import from General Area.

Minimum value of licences

45. (1) If an established importer is eligible to a licence in terms of para 39 above, the minimum value of quota/additional/supplementary licence issued to him will be Rs. 1,000/-, unless otherwise provided.

(2) In the case of division of quota of an established importer on account of dissolution of the partnership, death of the proprietor, partition of the Hindu undivided family or any other reason, the division of quota is allowed to enable the succeeding parties to get their proportionate shares of the approved quota of the original firm. While allowing the division of quota in such cases, none of the succeeding parties will be allowed the concession of obtaining minimum value licences provided in this para but the total value of licences admissible to all the succeeding parties, taken together, will be equal to the entitlement of the original firm had there been no division of quota. The quota certificates granted to such parties will be suitably endorsed in this regard. It may be clarified that if, under the provisions of this sub-para, the value of a licence to be issued to a succeeding party comes to Rs. 100/- or less, such party will not be eligible to that licence in terms of sub-para. 39(2) above.

Establishment importers having more than one office in India

46. (1) The head office and branches of an established importer concern should obtain separate quota certificates in respect of past imports standing in the name of each of them; and the basic year for the head office and all its branches should be one and the same in respect of articles falling under one serial number or sub-serial number of the I.T.C. Schedule as the case may be.

(2) The head office and branches of an established importer should, when applying for licences, append to their applications a certificate as in Appendix 8 to this book, certifying that the head office and all the branches of the concern in India have selected a particular financial year as the common basic year and the quota certificate on the basis of which an import licence is claimed, gives the certified particulars of previous imports in that common basic year.

(3) Under the rules, the clearance of goods imported by a branch of a concern should be alowed only against a licence issued to that particular branch. But a relaxation has been allowed to permit the clearance of goods imported by one branch against a licence issued to another branch. In such cases the Bill of Entry will show the number of the licence and full particulars of the licence-holder and the benefit of past imports for the purpose of quota fixation will be given to the branch holding the licence against which the imports have been effected and not to the branch which cleared the goods.

(4) For the purpose of determining whether the applicants are separate entities or branches, the following will be the criteria :—

(i) If the concerns are assessed to income-tax jointly i.e., have a common I.V.C. No., they will be treated as branches or head office and its branches.

(ii) If the firms are proprietary/partnership concerns and are assessed to income-tax separately and have separate I.V.C. Nos. but are owned by one and the same person or the same set of persons, they will be treated as branches or head office and its branches.

(iii) Limited companies, whether Public or Private with the same set of Directors or otherwise, which are assessed to income-tax separately and have separate I.V.C. Nos. will be treated as separate entities.

Issue of import licences to established importers against applications for back periods.

47. Although every possible effort will be made by the licensing authorities to dispose of all the applications for import licences submitted in a particular licensing period within the currency of that period, there may be cases where the final disposal of the application is delayed for the following reasons :—

(i) Laches on the part of the application by making incomplete applications or by late submission of required documents/ information.

(ii) Delay in the processing/consideration of the case due to unforeseen circumstances beyond the control of the import trade control authorities or other Government departments.

In the type of cases covered by category (i) above, no import licences would be granted against applications for back periods. But in the type of cases covered by category number (ii), the applications for back periods will be considered subject to the availability of monetary foreign exchange ceiling in the following manner :—

(a) Where the item concerned is licensable to established importers at the time of issue of the licence, the application for the back period will be considered in the normal course in terms of the import policy for the licensing period to which the application pertains. In the case of composite serial number or sub-serial no. of the I.T.C. Schedule, covering more than one item/specification, the licence will be valid only for such of the items/specifications, covered by the serial number or sub-serial number, in question, as are licensable to established importers at the time of issue of the licence;

(b) Where the item concerned is not licensable to established importers at the time of issue of the licence and the application for consideration pertains to the immediately preceding period, such application will be considered in the normal course in terms of the import policy for the licensing period to which the application pertains, provided the import of the item in question is not canalised through any agency at the time of issue of the licence; and

(c) No licences for back periods will be issued in cases not covered by (a) and (b) above and for items whose import is canalised at the time of consideration of the application. However, in order to alleviate the hardship caused to the applicant by the total refusal of licences in such cases, the licensing authority may consider such application on *ad hoc* basis and issue licences for permissible items in lieu of banned and canalised items. Such licences where granted will be subject to such restrictions,

limitations or conditions and for such value as may be deemed fit and decided by the licensing authority. The import licences for alternative items issued under this provision will also be subject to the conditions/restrictions applicable to such alternative item in terms of the policy for the licensing period in which the licence has been issued and not the policy for the period to which the application pertains.

Recognition of new established importers and transfer of quotas (TOR)

48. An established importer may be (i) an individual, (ii) a partnership concern, (iii) a karta of a Hindu undivided family in respect of the family business, (iv) a limited company and (v) any association or body of individuals. Licences are granted in the name of the business belonging to the establishment importer. Where there is any change in the ownership, constitution or name of the business, the established importer will not be eligible to the grant of licences as he ceases to be an established importer. However, in public interest and for continuity of business, the licensing authority may recognise new established importers in respect of any business, in accordance with the provisions made in the following paragraphs.

49. Where there is a change in the ownership or constitution of an established importer's business, without any change in the name of the business, and the new owner or the reconstituted concern, as the case may be, acquires the quota of the original concern, as a whole, the quota belonging to the original concern will be deemed to have been transferred to the new concern. The new concern can obtain import licences on the basis of such quota, if otherwise admissible. In such cases, no application for TQR need be made but an intimation about the change should be sent, in the form given in Appendix 9, to the licensing authority concerned with the issue of the licence, within two months of the date of change. The constitution of the new concern should also be mentioned in the usual manner in the next application for import licence, indicating therein the nature of the change and the date from which it has taken place.

50. Where there is a change in the name of the established importers business, without any change in the ownership or constitution of the business, no application for TQR need be made. The established importer should produce his quota certificate to the licensing authority concerned for necessary change therein, alongwith an affidavit about the change of name and affirming that he will not claim any licence in future in the old name. Where a private limited company becomes a public limited company or *vice versa,* it should report the fact to the licensing authority concerned.

51. Where there is a change in the name of established importers business alongwith a change in the ownership or constitution of the business, the new concern cannot claim import licences on the basis of the quota of the original concern, without obtaining TQR in its favour. The application for TQR should be made to the licensing authority concerned.

52. Where there is any change in the ownership or constitution of an established importer's business and, as a result of such change, a part of the quota of the original concern is required to be sperated or the quota of the original concern is required to be divided, the application for such

separation of the quota or for its division, as the case may be, should be made to the concerned licensing authority. If the quota to be separated is also sought to be transferred in favour of any persons, the transferee should also make the application for TQR to the licensing authority concerned. In such cases, the new owner or the reconstituted concern(s) cannot claim import licences on the basis of the quota standing in the name of the original concern without obtaining TQR.

53. Where an established importer is a limited company and the company is amalgamated with another limited company, the application for TQR in favour of the new company should be made to the licensing authority concerned, supported by an order of the competent court or other evidence of amalgamation.

54. **Application for TQR.**—An application for TQR should be made in the form given in Appendix 10 along with the prescribed documentary evidence. The jurisdiction of the port licensing authorities for dealing with such applications is given in Appendix 11. The application for TQR should be made by the head office of the applicant concern, covering all its branches, and such application should be made to the licensing authority in whose jurisdiction the head office is situated. The importers holding quotas for iron & steel items only, should apply for TQR to the respective regional licensing authority dealing with such items.

55. The applications made in terms of paragraphs 51 and 52 above should be accompanied by the following documents :—

(i) In the event of death of any person, a death certificate should be produced;

(ii) In the event of relinquishment of rights by any person in favour of another, an affidavit of relinquishment should be produced;

(iii) If the transfer of quota in favour of any legal heir or heirs is claimed on the basis of a 'will', the application should also be supported by the said 'will' and the probate thereof or an affidavit of consent by all the other legal heirs;

(iv) Partnership deed of the outgoing concern;

(v) Partnership deed of the incoming concern if it is a partnership concern;

(vi) If the business has been sold, deed of transfer duly registered with the Registrar of Documents should be produced; if the firm is dissolved, a deed of dissolution should be produced;

(vii) Where a common basic year is required to be selected for calculation of quota, application should be supported by an affidavit to the effect that the parties will select a common basic year for the establishment of quotas in respect of same or similar items on the basis of the business done by the out-going concern; and

(viii) Any other document on which the applicant may rely in support of his application.

56. Affidavits to be produced by the applicants with their applications for transfer/division of quotas, wherever laid down, should be sworn before a 1st Class Magistrate or a Notary Public.

57. (i) Subject to the provisions in sub-paras. (ii) and (iii) below, an established importer is not allowed to transfer his business to which a quota is attached, except as a whole :

(ii) If an established importer has two or more branches, each having a separate quota in respect thereof, it will be open to such established importer to transfer the business of any branch with the entire quota belonging to that branch.

(iii) Where due to a change of a sole agency in respect of the products of a foreign manufacturer, the old agent agrees to transfer the whole or a part of his quota to the new agent, the transfer/division of the quota is permissible.

(iv) Where an established importer has also got a manufacturing business, and any of the items in which he has a quota as an established importer may be required for use in such manufacturing business, the established importer can transfer his business as an established importer except for the items which may be required for use in the manufacturing business. If, in such a case, an established importer transfers his manufacturing business, his established importer quota in respect of items which may be required as raw materials, components or spares in the said manufacturing business will lapse.

58. In the following types of cases, import licences can be claimed only against quotas calculated on 'common basic year', in respect of same or similar items on the basis of the business done by the out-going concern :—

(a) Where a quota is divided and transferred in part to several persons separately, the persons in whose favour the quota is transferred, have to select a common basic year. However, where a person acquires a quota in respect of any item transferred in his favour and he already holds a quota in respect of the same item by virtue of a business done separately, it shall be open to him to claim licences on the combined value of the two quota certificates even if the quota certificates are in different basic years. This will also apply in the case of amalgamation of two limited companies.

(b) in cases falling under sub-paragraphs 57 (ii) and 57 (iii) above, the transferor and the transferee will be required to select common basic year for the same or similar items; and

(c) the provisions of this paragraph will also apply to cases where the parties have been exempted from making applications for TQR.

59. (1) Where an application for TQR is required to be made in terms of these provisions, such application should be made so as to reach the licensing authority concerned, complete in all respects, within a period of 90 days from the date of change in the ownership, constitution or name of business, etc., as the case may be. The licensing authority may, however, in deserving cases, condone the delay in making the application if such authority is satisfied that the delay was caused by circumstances beyond the control of the applicant. If the applicant is not in a position to make an application, complete in all respects, within the prescribed period of 90 days due to the formalities to be observed in getting the deed of transfer

of business registered with the Registrar of Documents, he can apply by producing an attested copy of the transfer deed with an evidence to show that the original deed has been deposited for registration and should furnish an undertaking to the effect that the original deed duly registered will be produced by him within a period of 15 days from the date of registration.

(2) Where an application for TQR, complete in all respects, *i.e.*, accompanied by documents specified in paragraph 55 above, is received by the licensing authority concerned within a period of 90 days from the date of change in the ownership, constitution or name of the business, as the case may be, or where the delay in the receipt of the application is condoned by the licensing authority, as indicated in sub-paragraph (1) of this paragraph, the transferee will be eligible to the transfer of quota from the licensing period during which the change occurred. In other cases, the TQR will be effective from the licensing period during which the application for TQR is made complete in all respects. In the case of deficient applications, the TQR will be valid from the licensing period during which the documents specified in paragraph 55 above are produced.

(3) The licensing authorities will dispose off applications for TQR expeditiously. If an application for TQR, made complete in all respects, is not disposed off within a period of one month, the licensing authority will issue an interim reply to the applicant. If an applicant does not receive an interim reply even within this time limit, he can bring the matter to the notice of the Public Relations Officer in the Import Trade Control office concerned; or book an interview with the Officer concerned through the Enquiry Officer in order to know the reason for the delay in the disposal of his application.

60. (i) Where an established importer has duly made an application for licence, but there is a change in the ownership or constitution or name of the business before the licence is granted, the licence will be granted on such application, if otherwise admissible, to the new owner or owners or newly constituted firm, etc., after their having been recognised as established importer, provided the validity of the TQR under sub-para. 59(2) above covers the period of the application in question. The licensing authority may also consider the grant of licences in favour of new owner(s) of the business or the reconstituted concern etc. against other pending claims of the old owner(s) of the business, if otherwise admissible, provided the agreement between the parties or the affidavit of relinquishment specifically contains a provision to this effect.

(ii) If the licensing authority is satisfied that the approval to the recognition and grant of quota is likely to be delayed on account of circumstances beyond the control of the applicant, it will be open to the licensing authority to grant licences to the applicant in anticipation of the approval, if the applications are otherwise in order.

(iii) The rules and procedure for the grant of licences for back periods to established importers will also apply to the applications for licences to be issued to newly recognised established importers.

61. In the following types of cases, the quota of established importer will lapse :—

(i) If the established importer is an individual and is declared insolvent; and

(ii) If the established importer is a limited company which is wound up without any arrangement having been made for the transfer of its business.

62. In the following cases, no change in the ownership of the business will be held to have taken place for the purpose of these rules :—

(i) Change of directors or share holders in public or private limited company.

(ii) Changes in the Hindu undivided family by birth, death or otherwise; this will not, however, apply to the death or retirement of karta.

(iii) Change of address of an established importer's, business.

63. Any case which is not strictly covered by any of the above paragraphs will be decided on analogous principles.

64. In cases where an application for TQR is not required to be made under the foregoing provisions, the application for licence should be accompanied by a declaration in the form given in Appendix 9.

65. Where the new established importers have been exempted from making applications for TQR, the import licences will be issued to them in the normal course, if otherwise admissible. They will, however, be required to state in their applications for licences the changes occurring in the business and the dates from which such changes have taken place. If in such cases, any objection is received from any person at any time against the licences claimed or granted, the licensing authority will examine such objection and call for such evidence from both the parties as may be deemed necessary. If as a result of the examination, the licensing authority finds that the established importer is not entitled to the whole or a part of the quota on the basis of which he has been claiming licences without obtaining sanction for TQR, the quota of the established importer will be reduced accordingly and the parties found guilty of misrepresentation or contravention of these rules, will be liable to penal action, under the Imports and Exports (Control) Act and the Orders issued thereunder. In such cases the value of the excess licences already obtained by the party will also be adjusted against the future quotas of the party in respect of any items for any category.

66. If the objection in terms of paragraphs 65 above is made to the licensing authority concerned within three months from the date of the change in the constitution or ownership or name of the established importer's business, and the objector is found to be entitled to either the whole or a part of the quota, he will be eligible to the transfer of such quota in his favour. The licensing authority may also condone the delay in making the objection, if such authority is satisfied that the delay was caused by circumstances beyond the control of the objector.

67. It will be open to the licensing authority to reject the applications for TQR :—

(i) If the application or the documents accompanying the application are defective;

(ii) If the licensing authority decides that the recognition and grant of quota is not in public interest or for continuity of any business;

(iii) If the licensing authority decides that the transfer/division of quota is sought with an intention to defeat the transferor's creditors; and

(iv) For any other reasons to be recorded.

68. The licensing authority may, after giving a reasonable opportunity to the persons who have been recognised as established importers and to whom a quota has been granted, of being heard, cancel or amend the order regarding recognition of new established importer and grant of quota, if it is found—

(i) That the application for recognition and grant of quota contained any false, fradulent or misleading information;

(ii) That the evidence tendered by the applicant contained any document which was false or fabricated or had been tampered with;

(iii) That the applicant is guilty of any corrupt or fraudulent practice in respect of his application; and

(iv) That the recognition and the quota has been granted through inadvertence or mistake or contrary to the provisions of these rules or due to any fraud or misrepresentation.

Permission for utilisation of quota licences

68A. Where an import licence has been granted to an established porter and after the grant of the licence but before its utilisation, there is change in the ownership or constitution or name of the established importer's business, the new owner of the business or the re-constituted concern etc. as the case may be, cannot utilise the licence in question without obtaining a written permission from the licensing authority which granted the licence or from any other person empowered in this behalf by such authority in terms of sub-clause 5(3) of the Imports (Control) Order, 1955, dated the 7th December, 1955 as amended. In such cases, an application for obtaining the necessary permission of the authority concerned should be supported by an affidavit of the applicant, sworn before a 1st Class Magistrate or Notray Public, to the effect that he is the rightful successor of the business for which the licence in question was issued and that, in the event of any mis-statement subsequently detected in this respect, he will be liable to all actions and consequences arising therefrom.

Issue of fresh quota certificates consequent on transfer/division of quotas

68B. (1) In the event of a change in the ownership or constitution of a business without any change in the name of the business, where the new owner or the reconstituted concern as the case may be, is not required to apply for TQR, the quota certificates standing in the name of the original concern will be endorsed by the licensing authority concerned indicating therein the nature of the change and the date from which the change has taken place.

(2) If the name of the business changes, the quota certificate will be amended by the licensing authority concerned by changing the name of the established importer's business appearing thereon. An endorsement will also be made on the quota certificate indicating the date from which the change has taken place.

(3) Where a quota has been divided, the quota certificates and their counterfoils standing in the name of the dissloved concern will be cancelled and fresh quota certificates will be issued in the name of the succeeding parties concerned according to share of the quota transferred in their name. A suitable endorsement giving the number and date of the order, under which division/transfer has been allowed by the ITC authority concerned will also be made on the old and fresh quota certificates and their counterfoils.

(4) The persons concerned should produce the quota certificates to the licensing authority who issued the same, for necessary endorsement/amendment as indicated above immediately after the change has occurred. In cases where the new owner or the reconstituted concern is required to apply for TQR, the quota certificates should be produced to the licensing authority concerned for necessary endorsement/amendment immediately and, in any case, not later than 30 days, after the new owner or the reconstituted concern, as the case may be, has been recognised as an established importer.

CHAPTER IV

ACTUAL USERS (INDUSTRIAL)

69. (1) **Definition.**—Actual users (industrial) are those who require raw materials, components, accessories, machinery and spare parts for their own use in an industrial manufacturing process.

(2) **Categories of actual users.**—Broadly speaking there are three categories of industrial actual users, viz., (i) scheduled industries borne on the registers of the Directorate General of Technical Development, (ii) scheduled industries not borne on the registers of the Directorate General of Technical Development and non-scheduled industries other than small scale industries, and (iii) small scale industries.

Scheduled industries borne on the registers of the Directorate General of Technical Development

70. **Procedure for submission of applications for raw materials, components and spares.**—(1) Licensing and sponsoring authorities.—Actual users borne on the registers of the Directorate General of Technical Development for a particular industry, should, in respect of goods required for that industry, apply to the Chief Controller of Imports and Exports, New Delhi, through the Directorate General of Technical Development (Import Cell) in the prescribed form. The envelopes should be superscribed "import application" and addressed to the Assistant Director (Import Cell), Directorate General of Technical Development, New Delhi. These applications will be forwarded by the Directorate General of Technical Development with their recommendations to the Chief Controller of Imports and Exports, New Delhi, for necessary action.

(2) **Form of application.**—The applications should be made, in duplicate, in the prescribed form "C" as given in this Book. Actual users applying for Iron & Steel items to the Iron & Steel Control Licensing authorities should also use form "C" (Appendix—3). The applications should be accompanied.

(a) Treasury/bank receipt showing the payment of application fee on the value applied for;

(b) Seven copies of the list of items sought to be imported (out of these seven copies, one copy will be returned by the Directorate General of Technical Development to the applicant with such amendments as the Directorate General of Technical Development may make). If the number of licences to be issued in a particular case is more than one, the licensing authority will require seven copies of the list of goods to be imported against each licence. Therefore, the number of copies of the list of items likely to be required, may be calculated by the applicant on the basis of seven copies for each licence of the set of previous licences issued;

(c) Any other document/information considered necessary or required in terms of the provision of this Book, or the relevant Import Trade Control Policy Book, or any Public Notice/ Trade Notice issued in this regard.

(3) **Consolidated applications.**—(a) An application for a licence should be a consolidated application, covering the requirements of the unit in respect of raw materials and components, required for the particular end-product including related end-products to which the application pertains, but excluding items licensable by the Iron and Steel Control licensing authorities. In the case of units engaged in industries other than the priority industries, the consolidated application should include spare parts also. Units engaged in the priority industries are required to submit separate application for spare parts including spare parts of machine tools. The applicants should make applications after careful consideration so that the necessity for applying for a change in the description of items or introducing any new item at a later stage does not arise. Unless there are special reasons, requests for amendment or addition to the list or description of items or value thereof, will not be entertained.

(b) In the case of IDA industries (listed in Appendix 6 to this book), the applicants should also include the items licensable by the Iron and Steel Control licensing authorities in their consolidated applications for raw materials and components, made to the Chief Controller of Imports and Exports, New Delhi, through the Directorate General of Technical Development. In such cases, no separate applications in respect of items licensable by the Iron and Steel Control licensing authorities need be made to them.

Note.—Where an actual user has to import goods through different agents by obtaining letters of authority in favour of such agents, the application for licence should be accompanied by separate lists of goods to be imported through each agent. In such cases the actual user can also make separate applications for licences in respect of goods to be imported by him through different agents.

(4) **Code numbers.**—For facility of reference, the Directorate General of Technical Development will allot code numbers to each industrial unit borne on their books. As and when code numbers are allotted by the D.G.T.D. the unit should quote its code number in its application for licence; and also in all subsequent communications, so that cross-referencing is facilitated. In the licensing sections of the Office of the Chief Controller of Imports and Exports, suitable adjustments will be made in the filing and indexing system to mesh with the processing of applications for licences on the code numbers allotted by the D.G.T.D. If no code number has been allotted to a unit by the D.G.T.D., the words "not allotted" should be written by the applicant against relevant column at the top of the prescribed form of application for licence (Form 'C').

(5) **Guide-lines for applicants.**—Applicants should also observe the following instructions while applying for licences :—

(i) The stocks held and the expected arrivals against licences in hand as on the date of application for licence, should be indicated in the appropriate column in the application for licence;

(ii) Full details of the items applied for and justification for their import vis-a-vis use of indigenous substitutes, the value/quantity in respect of each item and the I.T.C. classification of the items should be invariably indicated in the application for licence;

(iii) The detailed end-use of the raw materials/components applied for should be mentioned in the application;

(iv) The factory number and the code number allotted by the Directorate General of Technical Development to the scheduled unit should be given in the relevant columns in the application form;

(v) It should also be indicated in the application whether the applicant has been licensed under the Industries (Development and Regulation) Act, 1951, and if so, the licence number may be quoted;

(vi) Efforts made for procuring the goods applied for or substitutes thereof from the internal market or indigenous manufacturers and the result of such efforts should also be indicated in the application (the indigenous manufacturers published in the Hand Book of Indigenous Manufacturers should be contacted for the supply of articles manufactured by them); and

(vii) No application should be made for raw materials, etc., required for the manufacture of new items, unless a licence for such manufacture has been obtained under the Industries (Development and Regulation) Act, 1951, wherever necessary.

Priority industries—units borne on the books of the DGTD (existing units)

71. A list of priority industries is given in Appendix 12. The procedure for the grant of import licences to the units engaged in these industries, will be as indicated below.

(i) Import of spare parts by priority industries

72. (1) **Separate applications for spares.**—Units engaged in the priority industries should submit separate applications for the import of spare parts. Such applications should be made on an annual basis covering the requirements of the units for the full licensing period. There will be no last date for submission of such applications during a licensing period.

(2) **Particulars of machinery to be furnished.**—Applications for the import of spare parts should be accompanied by a statement indicating all the particulars of the imported machinery as well as the indigenous machinery having imported components, installed or used in the applicant unit, for the maintenance of which the spare parts are sought to be imported. A proforma of the statement in which the particulars are to be furnished, is given in Appendix 13.

(3) **List of spare parts not necessary.**—It will not be necessary for an applicant to furnish a list of spare parts to be imported. Import licences for spare parts will be valid for the import of spare parts required for the plant, machinery and equipment installed or used in the licence holder's factory, subject to such restrictions as may be imposed in terms of the relevant import policy.

(ii) Import of Raw Materials and Components by Priority Industries

73. (1) **Import applications on consumption basis.**—The existing units engaged in the priority industries should make their import applications

for raw materials and components, end product-wise, (including related end-products) by way of claiming replenishment of imported raw materials and components consumed by the unit within a given period, in accordance with the relevant import policy.

(2) **Eligibility to apply.**—An industrial unit can apply for licences any time it can show consumption of imported raw materials and components in terms of the policy laid down. The licensing authority will not, however, entertain an application for licence from an applicant in whose case the un-utilised value of outstanding licences in hand, on the date of application, is more than the c.i.f. value of consumption for the replenishment of which the import licence is claimed. The un-utilised value of licences to be taken into account for this purpose will be the balance value available in the Customs copies of licences, reduced by the amount (a) for which firm commitments have been made by opening letters of credit and (b) for which firm commitments have been made with a public sector agency for obtaining the goods from such agency against the licence, in question, in accordance with the procedure laid down in the relevant import policy. The applicants should, therefore, make their applications for licences only when they are eligible to apply under this provision. There will be no last date for submission of applications during a licensing period.

(3) The condition regarding eligibility stated in sub-para (2) above has been relaxed in respect of certain machine building industries. The applicants should consult the relevant import policy before applying for licences.

(4) **Documentary evidence to be produced.**—In support of consumption etc., the application for licence should be accompanied by a statement, in quadruplicate, indicating the c.i.f., value of the imported raw materials and components consumed by the unit, the production actually turned out, the un-utilised value of licences in hand, in the proforma appearing in Appendix 14, duly certified by a Chartered Accountant or a Cost Accountant (in practice). The Cost Accountant must be a member of the Institute of Cost and Works Accountants of India, Calcutta and authorised to undertake practice. The applicant and the Chartered Accountant/Cost Accountant should ensure that the information given in the statement is complete and accurate. Applications supported by incorrect statements will be liable to be summarily rejected, without prejudice to any other action that may be taken in this behalf. The licensing authority may, if necessary, call for further evidence to verify the correctness of the information furnished in the said statement.

(5) One copy of the statement referred to in sub-para. (4) above will be retained by the D.G.T.D., and the remaining three copies will be sent to the licensing authority along with the application. The licensing authority will send one copy to the Central Excise authority concerned.

Industries other than Priority Industries (D.G.T.D. units)

Import of raw materials, components and spares

74. (1) **Applications on half-yearly basis.**—The units engaged in industries other than the priority industries should make consolidated applications for import of raw materials, components and spares on a half-yearly basis.

(2) **Eligibility to apply.**—(a) The first application in a licensing period should be made, covering six months' requirements, after utilising the previous set of import licences for raw materials, components and spares issued to the unit, to the extent of 90 per cent by way of opening letter of credit, or 90 per cent by making firm commitment with a public sector agency for obtaining the goods from such agency against the licence in question, in accordance with the procedure laid down in the relevant import policy, or 60 per cent by way of actual importation, or 60 per cent by way of supplies drawn from a public sector agency in accordance with the procedure laid down in the relevant policy, or 70 per cent by shipment of goods.

(b) The second application, covering further requirements for six months, may be made after utilising the import licences issued against the first application upto the extent specified in sub-clause (a) above.

(c) The evidence showing utilisation of the previous set of licences, in the form of original or photostat copy of the Exchange Control or the Customs copy of the licence(s), as the case may be, or evidence of firm commitment made with the public sector agency, should be produced. In lieu of Exchange Control copy of the licence, a certificate from the bank concerned, in support of opening of letter of credit, may also be acceptable.

(d) There will be no last date for submission of applications during a licensing period.

(3) **Lists of items to be imported.**—The applicant should furnish lists of items of raw materials and components sought to be imported, in the manner laid down in sub-para. 70(2)(b) above. It will not be necessary for the applicant to include in the list, the parts to be imported. The licence will be valid for spare parts required for the plant, machinery and equipment installed or used in the licence holder's factory, subject to such restrictions as may be imposed in terms of the relevant import policy.

Processing of applications and basis of licensing

75. (1) Applications for licences received in the Directorate General of Technical Development without the treasury challan showing the payment of application fee or where the treasury challan furnished by the applicant is not of the correct amount which the applicant is required to pay on the value applied for, may be returned by the Directorate General of Technical Development to the applicant indicating to him the correct amount to be paid as application fee and advising him to resubmit the application with the treasury challan of the requisite amount within a specified time.

(2) **Acknowledgement by D.G.T.D.**—While acknowledging the application, the Directorate General of Technical Development will also inform the applicant about the deficiencies in his application. For the purpose of locating the deficiencies in an application, the Directorate General of Technical Development may also check up whether the I.V.C. No. quoted by the applicant in his application is valid for the licensing period to which the application pertains; and the deficiency, if any, in the I.V.C. No. may also be communicated by the Directorate General of Technical Development to the applicant along with other deficiencies in their acknowledgement cum-deficiency letter. The applicant will be given a specified time-limit to make up the deficiencies.

(3) **Monthly Production Returns.**—The Directorate General of Technical Development will also check up whether the applicant has furnished to them the complete monthly production returns for the preceding Calendar year in respect of the industrial unit to which the application for the licence pertains. In the case of units failing to submit complete monthly production returns, applications for licences will be liable to be summarily rejected.

(4) **Basis of recommendation.**—The recommendations for grant or refusal of licences will be made by the Directorate General of Technical Development on the basis of (i) foreign exchange availability or availability of other monetary ceilings (ii) availability of the goods applied for from indigenous sources or other commercial channels, (iii) essentiality of the goods applied for, (iv) stocks in hand and expected arrivals, (v) past imports and past consumption of the item(s) in question, by the applicant, (vi) actual production during the preceding calendar year, (vii) estimated production, (viii) policy in respect of items sought to be imported, and (ix) other factors considered relevant and necessary, in terms of the policy in force. In his recommendation for the licence, the D.G.T.D. will indicate a separate allocation for raw materials and components, and a separate allocation for spares. The D.G.T.D. will also indicate quantitative limits in respect of items licensable on restricted basis in terms of the relevant import policy in force.

(5) **Attestation of list of goods by D.G.T.D.**—The recommendation of the Directorate General of Technical Development will be forwarded to the C.C.I. & E. along with one copy of the application for licence in each case and the treasury challan furnished by the party. Five copies of the list of goods recommended for import by the Directorate General of Technical Development including one copy of the list duly attested by them, will also be sent to the C.C.I. & E. along with the recommendation in all cases. The Directorate General of Technical Development will also send a copy of their recommendation to the applicant returning to him therewith one copy of the list of goods applied for with such changes as may be made by them in the list. If an applicant has furnished more copies of the list of items sought to be imported, depending upon the number of licences to be issued against the application, the extra copies sent by the applicant will also be forwarded by the D.G.T.D. to the C.C.I. & E. with the application for licence. If more than one licence is recommended against an application, and the applicant has not furnished the required number of copies of the list of items to be imported, the D.G.T.D., while sending a copy of their recommendation to the applicant, will inform him to send the required number of copies of the list of items to the Chief Controller of Imports and Exports direct. The number of copies of the list of items likely to be required may be calculated on the basis of seven copies for each licence to be issued.

(6) **Processing in licensing office.**—On receipt of the import application and the recommendation from the D.G.T.D., the licensing authority will check up the I.V.C. number, treasury challan and other procedural points relating to the import trade control rules and regulations. If the application is found to be in order, the licence will be issued or refused, as the case may be, based on the recommendation of the Directorate General of Technical Development.

(7) **Consolidated licences.**—Import licences will be consolidated ones, covering the requirements of the applicant unit in respect of raw materials and components required for a particular end-product including related end-products. In the case of units, engaged in industries other than priority industries, the requirements in respect of spare parts will also be included in the consolidated licence. In the case of units engaged in priority industries, however, separate import licences for spares will be issued in terms of the policy in force. Where consolidated licences for raw materials, components and spares are issued, the licensing authority may show the value separately for (i) raw materials and components and (ii) spares. In such an event, it will not be open to a licensee to divert any portion of the allocation for spare parts for the import raw of materials and components, unless otherwise provided in paragraph 84 in this book, or on the import licence concerned.

(8) **Intimation to sponsoring authority.**—(a) Where the licensing authority does not, for any reason, accept the advice/recommendation of the Directorate General of Technical Development in its entirety, the necessary intimation to this effect will be given to the D.G.T.D.

(b) Copies of the forwarding letters with which licences are sent to the applicants, will be endorsed by the licensing authority to the D.G.T.D. In the subject matter of the letter in question, the 'end-product' will also be indicated. Similarly, in the case of rejection letters, copies of the rejection letters, will be endorsed to the D.G.T.D.

(9) **Cases in which separate licences will be issued.**—Instead of issuing consolidated licences, the licensing authority will issue separate import licences in the following types of cases:—

(a) Where the goods are sought to be imported by the actual user through different agents on the basis of letters of authority;

(b) Where the mode of payment is different, such as free foreign exchange, AID, rupee, etc.;

(c) Where the goods are to be imported through different ports.

Note : In the case of priority industries, there will be separate applications and separate licences for the import of spare parts.

(10) **Restrictions on remittances/utilisation of licences.**—The licensing authority may impose on a licence for raw materials, components and spares, such conditions or restrictions as it may consider necessary, regarding utilisation or remittances.

(11) **Amendment.**—Requests for the amendment of licences should also be routed through the Directorate General of Technical Development; and such requests will be considered by the licensing authority on the recommendation of the Directorate General of Technical Development However, requests for amendments of minor nature i.e., those not involving change in the value or items, will be entertained direct by the licensing authority.

(12) **Revalidation.**—The procedure for making applications for revalidation of licences is given in Chapter XI of this book.

Scheduled Industries not borne on the Registers of the Directorate General of Technical Development and non-Scheduled Industries other than Small Scale

Import of raw materials, components and spares

76. (1) **Classification into two groups.**—For the purpose of import applications for raw material, components and spares, the actual users excluding small-scale units, not borne on the books of the D.G.T.D., for the particular end-product, have been classified into two groups, namely, (i) units sponsored by the State Directors of Industries, or State Drugs Controllers, State Directors of Fisheries or Executive Director, Food & Nutrition Board, Government of India, New Delhi, and (ii) those looked after by other sponsoring authorities.

(2) (a) In the case of units falling in group (i) in sub-para (1) above, whether engaged in priority industries listed in Appendix 12 or other industries, the procedure for submission of applications and grant of licences will be the same as for the S.S.I., units indicated separately in this chapter.

(b) In the case of units falling in group (ii) in sub-para (1) above, whether engaged in priority industries listed in Appendix 12 or other industries, the procedure for submission of applications and grant of licences will be the same as for the D.G.T.D., units indicated separately in this chapter. The applications for import licences should be made by such units to the licensing authorities concerned through the respective sponsoring authorities.

(c) In respect of spare parts sought to the imported by integrated steel plants in the private sector and secondary producers and re-rollers (Iron and Steel industries), the procedure for submission of applications and grant of licences will be the same as applicable to steel plants in the public sector as laid down in Chapter VIII of this book.

(3) **Application form.**—The import applications should be made, in duplicate, in the prescribed form 'B' given in this book. Actual users applying for Iron & Steel items to the Iron & Steel control licensing authorities should also use form "B" It is an application-cum-recommendation form. Where an import application is required to be made through the sponsoring authority, the sponsoring authority will give its recommendation in Part III of the application form, and will thereafter, forward the application to the licensing authority concerned for necessary action.

(4) Applications for licences should be accompanied by :—

(a) treasury/bank receipt showing the payment of application fee on the value applied for:

(b) the required number of copies of the list of items sought to be imported as indicated in paragraph 70(2)(b) in this chapter; and

(c) any other document/information considered necessary or required in terms of the provisions of this book; or the relevant

Import Trade Control Policy Book; or any Public Notice/ Trade Notice, issued in this regard.

(5) **Sponsoring authorities.**—The names of sponsoring authorities through whom the actual users are required to submit their applications for licences, wherever necessary, are given in Appendix 15 to this book. Sponsoring authorities will forward the applications with their recommendations to the regional licensing authorities concerned/licensing authorities as indicated in the relevant Import Trade Control Policy (Red Book).

(6) **Licensing authorities.**—Scheduled industries not borne on the books of the D.G.T.D., and non-scheduled industries excluding small scale, falling in sub-group (ii) in sub-para. (i) of this paragraph, should make their import applications for raw materials, components and spares to the regional licensing authority in whose jurisdiction the unit is situated, except for the items for which the import licensing has been centralised with any particular licensing authority. However, units engaged in the following industries should submit their import applications to the licensing authorities indicated against each, irrespective of the place where the unit is situated :—

Industry	Licensing Authority
(i) Textile other than jute and hemp.	Joint Chief Controller of Imports and Exports, Bombay.
(ii) Textile enginecring	Joint Chief Controller of Imports and Exports, Bombay.
(iii) Tea	Joint Chief Controller of Imports and Exports, Calcutta.
(iv) Collieries	Joint Chief Controller of Imports and Exports, Calcutta.
(v) Jute and rope	Joint Chief Controller of Imports and Exports, Calcutta.
(vi) Coffee	Joint Chief Controller of Imports and Exports, Madras.
(vii) Sugar	Joint Chief Controller of Imports and Exports, (C.L.A.), New Delhi.
(viii) Vanaspati	Joint Chief Controller of Imports and Exports, (C.L.A.), New Delhi.
(ix) Coir	Deputy Chief Controller of Imports and Exports, Ernakulam.

Note : Units engaged in the Textile industry (other than jute and hemp) referred to in (i) above should apply for the grant of emergency licences for import of spare parts, to the regional licensing authorities concerned in whose jurisdiction they are situated.

(7) **Consolidated applications.**—An application for a licence should be a consolidated application covering the requirements of the unit in respect of raw materials and components required for the particular end-product to

which the application pertains; but excluding the items licensable by the Iron and Steel Control licensing authorities or an item for which import licensing has been centralised with any particular licensing authority. In the case of I.D.A. industries, the consolidated application should also include items licensable by the Iron and Steel Control licensing authorities. In the case of units engaged in industries other than the priority industries, the consolidated application should include spare parts also. The units engaged in the priority industries are required to submit separate applications for spare parts including spare parts of machine tools. The applicants should make applications after careful consideration so that the necessity for applying for a change in the description of items or introducing any new item at a later stage does not arise. Unless there are special reasons, the requests for amendment or addition to the list or description of items or value thereof will not be entertained.

Note :—Where an actual user has to import goods through different agents by obtaining letters of authority in favour of such agents, the application for licence should be accompanied by separate lists of goods to be imported through each agent. In such cases the actual user can also make separate applications for licences in respect of goods to be imported by him through different agents.

(8) While applying for licences, the applicants should follow the instructions as stated in sub-para (5) of paragraph 70 in this chapter, wherever applicable.

(9) **Registration of non-D.G.T.D. and non-SSI Units.**—(a) It has been decided that the scheduled industries not borne on the books of the D.G.T.D. and non-scheduled industries other than small scale, should get themselves registered with their respective sponsoring authorities.

(b) A form of application for registration is given in Appendix 16. The sponsoring authority may also call for any additional information from the applicant for considering his application for registration.

(c) The Registration Number allotted to the unit by the sponsoring authority should be quoted in the import application. (For the period April 1970—March 1971, applications for licences may be entertained without a Registration Number quoted therein).

Processing of applications and basis of licensing

77. (1) **Scrutiny by sponsoring authority.**—In cases where applications for licences are required to be made through the sponsoring authorities, the sponsoring authority will send to the applicant an acknowledgement of the application, also indicating therein the deficiencies in the application. For the purpose of locating deficiencies in the application, the sponsoring authority will also check up the I.V.C. No. and the treasury challan furnished by the applicant showing the payment of application fee. In regard to the I.V.C. number, the sponsoring authorities will check up whether the number quoted by the applicant is valid for the licensing period to which the application pertains. In the case of treasury challan the sponsoring authority will see whether the applicant has paid the correct amount due from him on the value applied for. The deficiencies in the I.V.C. number and the treasury challan will also be communicated by the

sponsoring authority to the applicant along with other deficiencies in the acknowledgement-cum-deficiency letter sent to the applicant. The applicant will be given specific time limit within which to make up the deficiencies.

(2) **Recommendation by sponsoring authority.**—In cases where applications for licences are required to be made through the sponsoring authorities, the sponsoring authority will prepare four copies of his recommendation for licence in each case in Part III of the application form. Of these four copies, one copy will be sent by him to the applicant, one will be retained in his own office and two copies will be sent by him to the licensing authority concerned along with one copy of the application and the treasury challan furnished by the party. The lists of items will also be sent by the sponsoring authority duly attested by him. In his recommendation for the licence, the sponsoring authority will indicate a separate value for (i) raw materials and components, and (ii) spares.

(3) **Scrutiny by licensing authority.**—On receipt of the application; the licensing authority will check up the I.V.C. No., the treasury challan and other procedural points, as required in terms of the Import Trade Control rules and regulations. The deficiencies, if any, found therein, will be communicated to the applicant giving him a specified time limit within which to make up the deficiencies. In the case of applications found to be in order, the licensing authority will proceed to consider the case on merits on the basis of the certified requirements having regard to the following :—

(i) availability of foreign exchange or other monetary ceilings;

(ii) the stocks held and expected arrivals against the licences in hand as on the date of application for licence;

(iii) the quantity of goods or its substitutes likely to be made available through indigenous sources or other commercial channels;

(iv) past imports/past consumption of the item in question by the applicant;

(v) the actual production during the preceding period and the estimated production;

(vi) any fall in production on account of circumstances such as breakdown of machinery, labour relations, want of funds, etc.;

(vii) policy in respect of items sought to be imported; and

(viii) other factors considered relevant and necessary in terms of the policy in force.

(4) **Consolidated licences.**—Import licences issued for raw materials, components and spares will be consolidated licences, except that in the following types of cases, separate licences will be issued :—

(a) where the goods are sought to be imported by the actual user through different agents on the basis of letters of authority;

(b) where the mode of payment is different, such as free foreign exchange, AID., rupee, etc.; and

(c) where the goods are to be imported through different ports.

Note :—In the case of priority industries there will be separate applications and separate licences for import of spare parts.

(5) **Intimations to sponsoring authorities.**—In all cases, the licensing authorities will send intimation to the sponsoring authorities concerned regarding the grant or refusal of import licences to individual units. The letters endorsed to the sponsoring authorities in this regard will also indicate the name of the end-product. In the case of I.D.A. industries, a separate intimation of the licence issued will be endorsed to the Iron and Steel Control licensing authority concerned.

(6) **Restrictions on remittances/utilisation of licences.**—The licensing authority may impose on a licence for raw materials, components and spares, such conditions or restrictions as it may consider necessary, regarding utilisation or remittances.

(7) **Amendment.**—Requests for amendments in the value or the items permitted in the licence should also be made to the licensing authority concerned through the appropriate sponsoring authority. However, requests for amendments of minor nature, i.e., those not involving change in the value or items will be entertained direct by the licensing authority.

(8) **Revalidation.**—The procedure for making applications for revalidation of licences is given in Chapter XI of this book.

SMALL SCALE INDUSTRIES

78. **Definition of small scale industries.**—(1) Small scale industries will include all industrial units with a capital investment of not more than Rs. 7.50 lakhs irrespective of the number of persons employed. Capital investment for the purpose of this definition will mean investment in plant and machinery only. When calculating the value of plant and machinery, the original price paid by the owner, irrespective of whether the plant and machinery are new or second-hand, will be taken into account.

(2) **Ancillary units.**—In the case of ancillary units engaged in industries listed in Appendix 17, the capital investment limit of Rs. 7.50 lakhs referred to in sub-para (1) of this paragraph has been relaxed and raised up to Rs. 10 lakhs. Therefore, such units having fixed assets up to Rs. 10 lakhs instead of Rs. 7.50 lakhs, will also be covered by the definition of small scale industries. Amongst these industries, an ancillary unit will be the unit which produces parts, components, sub-assemblies and tooling for supply against known or anticipated demand of one or more large units manufacturing/assembling complete products, and which is not subsidiary of or controlled by any large unit in regard to the negotiation of contracts for supply of its goods to any large unit. This shall not, however, preclude an ancillary unit from entering into an agreement with a large unit giving it the first option to take the former's output. The units which are set up primarily for the replacement market will also fall within the scope of this criteria. Units manufacturing tools, jigs and fixtures will also be recognised as ancillary units.

(3) The procedure for the submission of import applications for raw materials, components and spares, applicable to small scale units, will also apply to such of the non-S.S.I. units as are looked after by State Directors of Industries, State Drugs Controllers, State Directors of Fisheries or Executive Director, Food and Nutrition Board, Government of India, Krishi

Bhavan, New Delhi. The flat rate of application fees prescribed for small scale units will not, however, apply to such units.

Procedure for submission of applications for raw materials, components and spare parts.

79. (1) **Licensing authorities.**—The licensing authority concerned in the case of small scale industrial units will be the regional licensing authority in whose territorial jurisdiction the factory of the actual user is located irrespective of the fact whether the licensing in respect of any item applied for is centralised with any particular licensing authority. The licences for import from rupee payment area to the small scale unit will also be issued by the regional licensing authority concerned. However, in the case of powerlooms in the small scale sector, the licensing, authority will be the Joint Chief Controller of Imports and Exports, Bombay.

(2) **Sponsoring authorities.**—The sponsoring authority in the case of small scale industrial units is the respective State Director of Industries, except that in the case of the following industries in the small scale sector, the sponsoring authorities will be as indicated against each :—

Industry	Sponsoring authority
(i) Textile engineering industry, and powerlooms.	Textile Commissioner, Bombay.
(ii) Handloom industry.	State Director of Handlooms.
(iii) Fisheries industry.	State Director of Fisheries.
(iv) Fruits and vegetable preservation industry, including cold storages.	Executive Director, Food and Nutrition Board, Government of India, Krishi Bhavan, New Delhi.
(v) Coffee industry.	Chairman, Coffee Board, Bangalore.
(vi) Jute and rope industry; and Jute textile engineering industry.	Jute Commissioner, Calcutta.
(vii) Pharmaceutical industry, and cosmetics industry.	State Drugs Control authorities, as given in Appendix 18 to this book.
(viii) Coir industry (including rubberised coir products).	Chairman, Coir Board, Ernakulam.

(3) **Form of application.**—The prescribed form of application for licence for import of raw materials, components, and spare parts, to be used by small scale units, is Form 'B' as given in this book. Actual users applying for Iron and Steel items to the Iron and Steel control licensing authorities should also use form "B". This is an application-cum-recommendation form, having three parts. Parts I & II are to be filled in by the applicant. Part III will contain the recommendation of the sponsoring authority, and it will be filled in by the sponsoring authority in cases where applications for import licences are required to be made through such authorities.

(4) Applications for licences should be submitted in the prescribed form. Only one copy of the application should be submitted, except that, in cases where an application is required to be made through the sponsoring authority, it should be sent in duplicate. The applicants should give, in their import applications, full details of the goods applied for, their I.T.C. classification, the value/quantity in respect of each item and the end use for which the goods are required. The application should be accompanied by the following :—

(i) Treasury challan/receipt of Rs. 50/- towards application fees, irrespective of the value of goods applied for.

(ii) Required number of copies of the list of items sought to be imported as indicated in sub-paragraph 70(2)(b). The existing units applying direct to the licensing authorities should send one extra copy of the list of goods sought to be imported, which will be forwarded by the licensing authority to the sponsoring authority while sending intimation about the grant of the licence.

(iii) Any other documents/information considered necessary or required in terms of the provisions of this book; or the relevant Import Trade Control Policy Book; or any Public Notice/Trade Notice, issued in this regard.

(5) **Consolidated applications.**—An actual user in the small scale sector should make a consolidated application covering the requirements of the unit in respect of raw materials and components, required for the particular end-product (including related end-products) to which the application pertains, but excluding the items licensable by the Iron and Steel Control licensing authorities. In the case of I.D.A. industries, the consolidated application should also include items licensable by the Iron and Steel Control licensing authorities. In the case of units engaged in industries other than the priority industries, the consolidated application should include spare parts also. The units engaged in priority industries are required to make separate applications for spare parts including spare parts of machine tools. The applicants should make applications after careful consideration so that the necessity for applying for a change in the description of items or introducing any new item at a later stage does not arise. Unless there are special reasons, the request for an amendment or addition to the list or description of items or value thereof, will not be entertained.

Note.—Where an actual user has to import goods through different agents by obtaining letters of authority in favour of such agents, the application for licence should be accompanied by separate lists of goods to be imported through each agent. In such cases, an actual user can also make separate applications for licences in respect of goods to be imported by him through different agents.

S.S.I. Units engaged in priority industries

(6) The existing units in the small scale sector, engaged in priority industries, should make their import applications separately for (i) raw materials and components, and (ii) spare parts, in the same manner as

has been laid down in respect of the units in the priority sector borne on the books of the D.G.T.D. The existing units in the small scale sector should make their import applications for (i) raw materials and components and (ii) spares, to the regional licensing authorities concerned direct, and not through the sponsoring authorities. In the case of S.S.I. units, the statement of consumption etc., to be furnished in terms of sub-para. 73(4) of this book, certified by the sponsoring authority concerned, will also be acceptable.

S.S.I. units engaged in industries other than the priority industries

(7) (a) **Consolidated applications.**—The existing units in the small scale sector, engaged in industires other than the priority industries, should make consolidated import applications for raw materials, components and spares required for the particular end-product (including related end-products) to which the application pertains, to the regional licensing authorities concerned direct, and not through the sponsoring authorities.

(b) **Application on annual basis.**—The application should cover the annual requirements of the unit in respect of raw materials, components and spares.

(c) **Eligibility to apply.**—The units can apply for their licences for raw materials, components and spares after they have utilised their previous set of licences for raw materials, components and spares to the extent specified in sub-para 74(2) of this chapter. There will be no last date for submission of applications during a licensing period.

(d) The evidence showing utilisation of the previous set of licences, in the form of original or photostat copy of the Exchange Control or Customs copy of the licence(s), as the case may be, or evidence of firm commitment made with the public sector agency, should be produced. In lieu of the Exchange Control copy of the licence, a certificate from the concerned Bank in support of opening of letter of credit may also be acceptable.

Processing of applications and basis of licensing

80. (1) The licensing authorities will consider the applications having regard to the following factors :—

(i) recommendation of the sponsoring authority, wherever necessary;

(ii) recommendation of the Development Commissioner, Small Scale Industries, wherever necessary;

(iii) availability of foreign exchange or other monetary ceilings;

(iv) the stocks held and expected arrivals against the licences in hand on the date of application of the licence;

(v) the quantity of goods or its substitutes likely to be made available through indigenous sources or other commercial channels;

(vi) past imports/past consumption of the item in question by the applicant;

(vii) the installed capacity, actual production during the previous period, and estimated production;

(viii) any fall in production on account of circumstances such as break-down of machinery, labour relations, want of funds, etc.;

(ix) policy in respect of the items sought to be imported; and

(x) other factors considered necessary and relevant in terms of the policy in force.

(2) In cases where import applications are required to be made through the sponsoring authorities, the sponsoring authority will prepare four copies of his recommendation in each case in Part III of the application. Of these four copies, one copy will be sent by him to the applicant, one will be retained in his own Office; and two copies will be sent to the licensing authority along with one copy of the application and the treasury challan furnished by the party. In his recommendation for the licence the sponsoring authority will indicate a separate value for raw materials and components and a separate value for spares. Wherever necessary in terms of the import policy in force, the application will be forwarded by the sponsoring authority through the Development Commissioner, S.S.I., New Delhi.

(3) In respect of applications for import licences, which are required to be made by the applicants through the sponsoring authorities, the sponsoring authorities will make their recommendations for licences subject to the following :—

(a) The sponsoring authority will not recommend import of any item which is not licensable to actual users in terms of the relevant import policy.

(b) In the case of items which are permissible in terms of the relevant import policy for a specified end-product only, the sponsoring authority will ensure that licences are recommended for items permissible for the specified end-product.

(c) If, under the relevant import policy in force, the requirements of an applicant unit in respect of any item(s) are to be met through an approved agency such as the State Trading Corporation or the Minerals and Metals Trading Corporation, the sponsoring authority will indicate separately the value recommended for each of such items. For these items, direct import licences will not be issued to the applicant unit concerned, and the licensing authority will consider issuing release advice to enable the applicant unit to obtain its requirements through the approved agency.

(d) In case where the sponsoring authority recommends any new item to actual users, it will be his responsibility to see that the c.i.f. price quoted by the applicant in his application is correct. For this purpose the sponsoring authority will either ask the applicant to produce the proforma invoices or he will compare the c.i.f. price quoted by the applicant with the price for the same item quoted by other parties.

(4) On receipt of the application, the licensing authority will check up entries in the application form including the I.V.C. number and the treasury challan. If any deficiency is found therein it will be communicated by the

licensing authority to the applicant giving him a specific time to make up the deficiencies. In the case of applications having no deficiency, the import licence or the rejection letter, as the case may be, will be issued to the applicants by the licensing authorities.

(5) **Intimation to sponsoring authorities.**—(a) In all cases, intimation about the grant or refusal of the licence will be sent by the licensing authority to the sponsoring authority concerned. For this propose a copy of the licence forwarding letter with a copy of the list of items allowed, or rejection letter, as the case may be, will be endorsed to the sponsoring authority concerned. The forwarding letter will also indicate the end-product.

(b) In cases where applications for licences are made through the sponsoring authorities, the licensing authority will also send back to the sponsoring authority one copy of the recommendation for licence indicating the action taken thereon.

(c) In the case of I.D.A. industries, a separate intimation of the licence issued will be endorsed to the concerned Iron and Steel Control licensing authority if the licence includes iron and steel items.

(d) The licensing authority will send copies of the consumption statement to the sponsoring and the Central Excise authorities concerned.

(6) **Consolidated licences.**—Import licences issued for raw materials, components and spares will be consolidated licences; except that in the following types of cases, separate licences will be issued :—

(a) Where the goods are sought to be imported by an actual user through different agents on the basis of letters of authority;

(b) Where the mode of payment is different, such as free foreign exchange, rupee, etc.; and

(c) Where goods are to be imported through different ports.

Note :—In the case of priority industries, there will be separate applications and separate licences for import of spare parts.

(7) The State Directors of Industries and other sponsoring authorities will send abstracts of their recommendations periodically to the D.C.(S.S.I.) or to the controlling authority concerned, in a form which will be decided by the D.C.(S.S.I.)/controlling authority in consultation with the Directors of Industries/sponsoring authorities. Through such abstracts, the D.C.(S.S.I.)/controlling authority will undertake ex-post-facto checks of the recommendations made by the Directors of Industries/sponsoring authorities with a view to see whether they have followed the overall import policy and the general directions given to them.

(8) In the case of industries sponsored by the State Drugs Controllers, State Directors of Fisheries and State Directors of Handlooms in the small scale sector, the functions of the D.C.(S.S.I.), will be performed by the Drugs Controller of India, New Delhi; Fisheries Development Adviser to the Government of India, Ministry of Food and Agriculture, New Delhi; and the Textile Commissioner, Bombay, respectively.

81. The specific role of the organisations of the D.C.(S.S.I.), controlling authorities, the sponsoring authorities and the licensing-authorities in

the processing of applications and grant of licences to S.S.I. units, is summarised below :—

(a) **Role of the D.C.(S.S.I.) and other controlling authorities :**

(i) To distribute the ceiling to the States on the basis laid down, in case it is decided to allocate the ceiling to the sponsoring authorities;

(ii) To give general directions to the sponsoring authorities as may be required from time to time;

(iii) To undertake *ex-post-facto* check of the recommendations made by the sponsoring authorities with a view to see whether the sponsoring authorities have followed the over-all import policy and the general directions given to them; and

(iv) To co-ordinate the work of licensing to S.S.I. units between the licensing authorities and the sponsoring authorities.

(b) **Role of the sponsoring authorities :**

(i) To recommend applications for grant of licences and forward the same to the licensing authority concerned in accordance with the prescribed procedure in cases where the import applications are required to be routed through the sponsoring authorities.

(ii) To ensure compliance with the general directions issued by the D.C. (S.S.I.) or controlling authority and the policy laid down in the matter of assessment of requirements;

(iii) To devise a policy to govern recommendations in cases other than those covered by (ii) above;

(iv) To obtain clearance from indigenous angle; wherever necessary, before recommending licences;

(v) To ensure that in respect of items available from the S.T.C., etc., the licences are recommended only after obtaining the necessary clearance from the S.T.C., etc.;

(vi) To ensure that recommendations do not exceed the ceiling allotted to the sponsoring authority and also to see that a small cushion is kept in reserve for implementing decisions in appeals, in the event of the ceiling being allocated to the sponsoring authorities.

(vii) To send an abstract of the recommendations made to the D.S. (S.S.I.) or controlling authority.

(viii) To undertake *ex-post* check of the industrial units to see whether the imported material has been properly utilised and to report cases involving misuse of such material or breach of conditions of licences to the licensing authority and C.C.I. & E.

(c) **Role of licensing authorities :**

(i) To issue licences; in cases where licences are to be issued on the basis of the recommendations of the sponsoring authorities,

to examine whether such recommendations are in consonance with the policy/procedure in force;

(ii) In the case of rejections, to communicate reasons thereof to the applicants;

(iii) To take penal action against the licensees or importers for violations of Import and Export Control regulations;

(iv) To watch the utilisation of ceiling, if any.

NEW UNITS

(Both in the large and the small scale sectors)

82. (1) **Definition.**—New units are those to which no import licences for raw materials, components and spares have been issued for the licensing periods April 1968—March 1969 and April 1969—March 1970, and which have either got the requisite machinery installed, or have made firm arrangements for machinery and premises and power supply, where necessary. If an unit had obtained an allotment of imported raw materials or components through the S.T.C. or M.M.T.C. or any other recognised agency, or it had obtained import licences for raw materials and components under the import policy for Registered Exporters, for any of the two licensing periods referred to, it will be treated as an existing unit.

(2) If an industrial unit has not received import licence for raw materials components and spares, or allotments of imported raw materials/components as an actual user or under the import policy for Registered Exporters, for the licensing period April 1968—March 1969 and April 1969—March 1970, for any valid reasons to the satisfaction of the licensing authority, such unit may be treated as an existing unit by the licensing authority on the recommendation of the sponsoring authority concerned. In such cases, the value of licences to be issued will be determined by the licensing authority on the basis of the recommendation of the sponsoring authority, having regard to the import policy in force and other relevant considerations.

(3) **New Units (priority industries).**—(a)The new units, both in the large and small scale sectors, should make consolidated application for the particular end-product (including related end-products) to which the application pertains, for import of raw materials, components and spares in the first licensing period on half-yearly basis, through the sponsoring authority concerned. The first application should be made during the first half of the licensing period, and the second application should be made in the latter half of the licensing period. Both the applications should be made through the sponsoring authority concerned. There will be no last date for submission of such applications during a licensing period. In the subsequent licensing periods, such units will have to apply for import of raw materials, components and spares, in the same manner as laid down for existing units engaged in the priority industries under the relevant import policy in force.

(b) In the case of proposed units, i.e., those which have made firm arrangement for machinery and premises and power supply where necessary, the sponsoring authority will recommend a licence against the second application only after the unit has gone into production.

(4) **New units (industries other than priority industries).**—(a) The new units pertaining to this category, both in the large and the small scale sectors, should make consolidated import applications for raw materials, components and spares required for the particular end-product (including related end-products) to which the application pertains, to the licensing authorities concerned through the sponsoring authorities concerned.

(b) The small scale units and such of the non-S.S.I. units as are sponsored by the State Directors of Industries, State Drugs controllers, State Directors of Fisheries or Executive Director, Food & Nutrition Board, Government of India, New Delhi, and which have the requisite machinery installed, should make their import applications on annual basis, while the other units, including the proposed units should apply on a half-yearly basis. The second application from such units can be made after the unit has utilised the licences issued against the first application up to the extent specified for the existing units. In the case of proposed units, the sponsoring authority will recommend a licence against the second application only after the unit has gone into production.

(5) In order to discourage new industries for the manufacture of items for which adequate capacity exists in the country, and to ensure rational growth, the sponsoring authority will not recommend a licence or an application from a new unit for the import of materials required for the manufacture of an end-product, which is banned in terms of the policy in force, from time to time.

Registration of small scale industries

83. (1) A scheme for the registration of small scale industries was introduced in the year 1969. Under the scheme, all the small scale industries consuming imported raw materials and components, non-errous metals and steel items, were required to get themselves registered with the respective State Directors of Industries, by the 31st March, 1961.

(2) The registration number allotted to the small scale industrial units under the scheme, is required to be quoted by them in their applications for import licences, or for allotment of non-ferrous metals, steel and other materials. In the absence of the registration number, the application is liable to be summarily rejected.

(3) The State Directors of Industries should send to the regional licensing authority concerned, a copy of the registration certificate issued to a small scale unit. Also, intimations in regard to the cancellation of S.S.I., registration numbers, or of any amendments therein, should simultaneously be intimated by the State Directors of Industries to the licensing authorities concerned.

(4) If, at the time of registration, the unit has no installed machinery, or is not in production, the registration certificate will bear an endorsement "Not in production." The endorsement will be deleted by the registering authority on production of evidence to show that the unit has gone into production.

(5) Units transferred from the list of D.G.T.D. units to the small scale sector should get themselves registered with the respective State Directors of Indusries.

Flexibility allowed to actual users

84. (1) With a view to providing flexibility to the industry in the use of foreign exchange released to it, the holders of actual user licences for raw materials/components/spare parts, may, in their discretion, utilise their licences in the manner indicated below, without obtaining any specific endorsement to this effect from the licensing authorities :—

(a) The licensee may import any item(s) covered by his licence, without any limit of quantity or value, provided the total import does not exceed the overall face value of the licence. However, if in respect of any item(s) covered by his licence, a face value restriction, or value limit, or quantity limit, has been indicated in the licence or made applicable, the licensee can import such item(s) more in value or quantity, as the case may be, not exceeding 10 per cent of the specified value limit, or quantity limit, or face value restriction, provided the total does not exceed the overall face value of the licence.

(b) The licensee may import permissible spare sparts, small tools, and precision and measuring tools, including spare parts of machine tools, against his licence for raw materials and components, to the extent of 25 per cent of the face value of the licence, within the overall value of the licence. For this purpose, permissible spare parts/small tools/precision and measuring tools, have been defined as under;

(i) The permissible spare parts are those which are required for the plant, machinery and equipment, installed or used in the licence holder's factory; but spare parts which are listed in Appendix (3) to the relevant Import Trade Control Policy (Red Book-Vol. I) will not be allowed to be imported;

(ii) The permissible small tools are those which are classified under Sr. No. 20 of Part II of the I.T.C., schedule and are shown as licensable to actual users in the relevant Import Trade Control Policy (Red Book-Vol. I) excluding those specified in Appendix 15 of the said book;

(iii) The permissible precision and measuring tools are those which are classified under Sr. No. 21 of Part II of the I.T.C. Schedule and are permissible to actual users in terms of the relevant Import Trade Control Policy (Red Book-Vol. I), and which are required for use in the licence-holder's factory for which the actual user licence, in question, has been issued.

(iv) The permissible spare parts of machine tools are those which are required for the machine tools installed or used in the licence holder's factory. The import of spare parts of machine tools, specified in Schedule 'B' of Appendix 11 to the relevant, Import Trade Control Policy (Red Book-Vol. I) will not be allowed.

(c) Within the 25 per cent of the total value indicated in (b) above, the licensee may utilise up to 5 per cent of the total value of

the license, or Rs. 4,000/-, whichever is less, for the import of even the spares listed in Appendix 3 to the relevant Import Trade Control Policy (Red Book-Vol. I), provided these are required by the licensee for the plant, machinery and equipment, installed or used in his factory and the import of a single item does not exceed Rs. 1,000/- in value.

(d) The licensee may import spare parts listed in Appendix 3 to the relevant Import Trade Control Policy (Red Book-Vol. I) against his consolidated licence for raw materials, components and spares, to the extent of 5 per cent of the face value of the licence or Rs. 4,000/-, whichever is less, provided these are required by the licensee for the plant, machinery and equipment installed or used in his factory and the import of a single item does not exceed Rs. 1,000/- in value.

(2) The provisions of sub-para. (1) of this para. will be applicable to actual user licences for raw materials/components/spare parts only and not to licences for machinery and machine tools. These provisions will apply to the import licences issued on or after 1-4-1970. For the earlier licences, the provisions made in paragraph 84 of the Import Trade Control Hand Book of Rules and Procedures, 1969 as amended, will be applicable.

(3) For the purpose of application of the provisions of sub-para. (1) of this para., the following points are clarified :—

(i) These provisions will also apply to import licences issued to actual users under the import policy for Registered Exporters. In their case, the overall value limit upto which permissible spare parts, small tools and precision and measuring tools can be imported against a licence for raw materials/components, as indicated in sub-para. 1(b) of this para, will be taken as 25 per cent of the face value of the licence or 5 per cent of the F.O.B. value of exports in respect of which the import licence, in question, has been issued, whichever is higher;

(ii) These provisions will also be applicable to licences for import of newsprint and art paper issued to actual users;

(iii) These provisions will also apply to licences issued to the State Trading Corporation or other similar agencies, for the import of raw materials and components, to meet the requirements of an actual user, for which a letter of authority has been issued to the concerned actual user;

(iv) Where a licence holder imports goods against a licence under these provisions in more than one consignment/shipment, he shall declare before the customs authorities at the time of clearance of the second and subsequent consignment that he has not exceeded the overall value limit of Rs. 1,000/- fixed for import of individual items of restricted spare parts in terms of sub-paras 1(c) and 1(d) of this paragraph; and

(v) The relevant policy for the purpose of determining whether an item is permissible or not, for availing of the provisions, will be the policy in force at the time of issue of the licence.

(4) The provisions of this paragraph will not be applicable to licences issued by the Iron and Steel Control licensing authorities.

(5) The provisions of this paragraph will not be applicable to import licences issued under the National Defence Remittance scheme.

Conversion of actual user licences for raw materials, components, Spares and non-ferrous metals for importing steel and vice versa

85. (1) With a view to providing greater flexibility to actual users (scheduled and non-scheduled industries including small scale) in the utilisation of foreign exchange, the holders of actual user licences for raw materials, components, spares, non-ferrous metals and steel issued against free foreign exchange may, in their discretion, utilise their licences in the manner indicated below :—

(i) The licensee may import steel against his import licence for raw materials, components, spares and non-ferrous metals, within the face value of the licence, provided that the item to be imported is that for which the licensee holds a valid actual user import licence at the time of shipment of the goods, subject to the following further conditions :—

(a) The item to be imported is not banned or canalised in terms of the import policy in force at the time of shipment;

(b) The item to be imported is not subject to any value or quantitative restrictions, in terms of the import policy in force at the time of shipment; and

(c) The import of stainless steel in any form including sheets/plates/strips/circles, of any specifications and the import of items licensable under the import policy in force subject to production of non-availability certificates from indigenous producers, will not be permitted under this facility.

(ii) The licensee may import any item of raw materials, components, spares and non-ferrous metals against his licence for steel, within the face value of the licence, provided that the item to be imported is that for which the licensee holds a valid actual user import licence at the time of shipment of the goods subject to the following further conditions :—

(a) The item to be imported is not banned or canalised in terms of the import policy in force at the time of shipment;

(b) The item to be imported is not subject to any value or quantative restriction, in terms of the import policy in force at the time of shipment; and

(c) The import of milk powder, man-made fibre and yarn (cellulose and non-cellulose), polyethylene, P. V. C. resins and cellulose acetate butyrate moulding powder, will not be permitted under this facility.

(2) Import licences issued to actual users against free foreign exchange for the import of raw materials, spares, components, non-ferrous metals and steel will automatically be valid for utilisation in the manner indicated

in sub-para (1) of this paragraph. It will not be necessary for the licensee to obtain a specific endorsement from the licensing authority for this purpose. At the time of clearance, the licensee will be required to produce to the Customs authorities the necessary evidence to enable them to allow import of items permissible in terms of sub-para. (1) of this paragraph.

(3) The import licences for steel items issued by the Import Trade Control authorities will also be treated as licences for steel items for the purpose of the provisions made in this paragraph.

(4) Import licences issued to actual users under the import policy for Registered Exporters can also be utilised in terms of the provisions of this paragraph. It is, however, clarified that the terms "valid actual user import licence" used in sub-paras. 1(i) and 1(ii) of this paragraph does not include a licence, issued under the import policy for Registered Exporters, and licences issued under the National Defence Remittance scheme.

(5) The provisions made in this paragraph will not apply to import licences for 'emergency' spares issued to actual users; and also to import licences for spare parts issued to the actual users engaged in the priority industries.

(6) The provisions made in this paragraph will also not apply to the licences issued under the National Defence Remittance scheme.

(7) These provisions will apply to import licences issued on or after 1-4-1970. For earlier licences, the provisions made in paragraph 85 of the Import Trade Control Hand Book of Rules and Procedure 1969, as amended, will be applicable.

Limiting Factor

86. (1) Import licences for raw materials/components/spares issued to actual users, including those issued under the import policy for Registered Exporters, will have 'value' as limiting factor. But this will be subject to the provisions made in paragraph 84 above.

(2) Import licences issued to actual users for import of capital goods, machinery and equipment will be subject to both 'quantity' and 'value' as limiting factor. The concessions regarding flexibility, as provided in paragraphs 84 and 85 above, will not be available for such licences; and it will not be open to the licensee to import any item in excess of the quantity limit or value limit specified for that item in the licence, even if the excess import is within the overall value of the licence. If a licensee requires to import any item covered by his licence for a quantity exceeding the limit indicated for that item in the licence, within the overall face value of the licence, he may approach the licensing authority concerned through the sponsoring authority for suitable amendment in the quantity limit already indicated in the licence. In such cases the licensee should also give reasons in support of his request, which will be considered by the licensing authority on merits.

Imports through Public Sector Agencies and eligible Export Houses

87. (1) It will be open to an actual user not to apply for a direct import licence in his favour for import of raw materials/components, but to approach the State Trading Corporation, the Minerals and Metals Trading

Corporation, State Small Industries Corporation or any other similar public sector agency, or a recognised eligible merchandising export house holding a certificate of eligibility issued by the Chief Controller of Imports and Exports, for importing the goods, provided that such an agency is willing to undertake the import. The import requirements of such actual users will be pooled and imports will be arranged in bulk through the agency concerned.

(2) In cases covered by sub-para (1), the application for the grant of an import licence should be made by the agency concerned, to the regional licensing authority concerned. Such application should be made in the form prescribed for established importers (i.e. Form 'A'), as given in Appendix 3. The words "Established Importers" at the top of the application form should, however, be struck off and replaced by the words "Importing Agency" in red ink, and clause 7 of the form should also be deleted. The agency concerned can make a consolidated application, covering the requirements of more than one unit. The application should be accompanied by :—

(i) Applications in Form 'B' (given in Appendix 3), duly filled in and signed by each of the actual user concerned without treasury challans towards application fee;

(ii) A statement indicating particulars of the units concerned, namely, name and address of the unit, the end-product, the value applied for in each case, and the aggregate value;

(iii) Treasury challan showing the payment of application fee. The amount of application fee to be paid should be calculated on the aggregate value applied for, in accordance with the prescribed scale of fees, and not in relation to the requirements of each actual user separately;

(iv) Supporting documents laid down for actual user applications in terms of the relevant import policy;

(v) Five copies of the consolidated list of goods sought to be imported by the agency on behalf of the actual users concerned. In the list of items, separate value limit should be indicated against each item the import of which is canalised through a public sector agency, within the overall value applied for. For such items, release orders will be issued on the canalising agency.

(vi) Any other document that may be considered necessary.

(3) Consolidated import licence(s)/release order(s) will be issued in such cases to the importing agency concerned according to available sources of financing. The value of the consolidated licence/release order to be issued will be equal to the aggregate value of all the licences/release orders, which could have been issued to the individual actual users, had they applied separately. Such licences/release orders will be subject to the condition, *inter-alia*, that the imported goods shall be distributed by the licensee to the actual users whose particulars are shown in the relevant import application(s), for use in their respective factories.

(4) The provisions made in this paragraph will not apply to new units and to the applications made by actual users under the import policy for Registered Exporters.

(5) Actual Users on whose behalf import licences have been issued to the importing agencies under these provisions can apply for their subsequent licences as admissible under the policy in force, whether direct or again through an importing agency. In such cases, the eligibility of the actual user to the subsequent licences will be determined by the licensing authority in terms of the relevant import policy without having regard to the extent to which the previous licence has been utilised by the importing agency.

(6) These agencies can also import goods on behalf of actual users, against the licences for raw materials, components and spares issued to actual users. It will not be necessary for the licence holders to obtain a letter of authority for this purpose in favour of the importing agency, as provided in Chapter XIII of this book.

(7) Actual users holding valid import licences for raw materials can also obtain supplies 'off-the-shelf' from the STC/MMTC against such licences in accordance with the procedure laid down in this regard under the relevant import policy. To the extent the goods are supplied by these agencies, the licences, in question, will not be valid for direct import by the licence holders.

Co-operative Societies Engaged in Industrial Production

88. (1) For the purpose of these provisions, a co-operative society will mean any co-operative society registered under the Co-operative Societies Act, applicable to the State where the society is situated; and includes co-operative societies undertaking production or service activities.

(2) A co-operative society may either be engaged in providing 'services' to its members who undertake production on their own account; or it may itself be engaged in industrial production.

(3) **Co-operative societies undertaking services on behalf of their members who are engaged in production on their own account.**—(a) A co-operative society can apply for import of raw materials, components and spares on behalf of its member units engaged in industrial production in their respective factories/workshops. The procedure for submission of application will be the same as applicable to other actual users.

(b) The import application should be supported by a statement, indicating the particulars of each member unit of the society and the import requirements of each unit in respect of a particular end-product . It should also be supported by an undertaking on a plain paper from each member unit of the society to the effect that the imported goods supplied to it shall be used by it in its factory/workshop; and no portion thereof shall be sold to or permitted to be utilised by any other party.

(c) In cases where import applications are required to be made through the sponsoring authorities, the State Registrar of Co-operative Societies will act as the sponsoring authority, if he is in-charge of the development of the society; and the applications in such cases can be made through him.

(d) The application should be supported by a treasury challan towards application fee. The amount of application fee to be paid should be calculated on the total value applied for, in accordance with the prescribed scale of fees, and not in relation to the requirements of each member unit separately.

(e) The applicant society will be required to furnish valid I.V.C. Registration/Exemption number in its own name. But import licences will be issued for one year in anticipation of the production of such number. It will not be necessary for the society to furnish I.V.C. number pertaining to its individual members.

(f) While considering the application, the licensing authority will calculate the entitlement of each member unit of the society separately; and the value of the licence to be issued to the society will be equal to the aggregate value of all the licences, which could have been issued to the individual member units, had they applied separately.

(g) Import licences issued in such cases will be subject to the condition, *inter-alia,* that the goods imported under the licence shall be distributed by the licensee society to its members, whose names and addresses have been shown in the relevant import application, and such goods shall be used in the factories of the members concerned, for the purpose for which import has been allowed, and no portion thereof shall be sold to or permitted to be utilised by any other party. The member unit shall maintain proper account of consumption of imported materials in the prescribed manner.

(4) **Societies engaged in production.**—(a) A co-operative society may undertake production in its own workshop, or in the workshops of its individual members but on its own account, or by providing only the common facility workshops to be used by its members for certain jobs, while the remaining activities are carried out by the members in their own workshops on their account.

(b) In all these cases, a co-operative society can apply for an import licence for raw materials, components and spares in its own name; and the provisions made in sub-paragraph (3) above will apply in these cases, with suitable changes in the condition to be imposed on the licence regarding utilisation of the imported material. In such cases, the licence, will be subject to the condition that the imported materials shall be used by the licensee society in its own factory/workshop, or distributed for use in the factories/workshops of its members indicated in the relevant import application, for the purpose for which the import has been allowed, and no portion thereof shall be sold to or permitted to be utilised by any other party. The society/its member units shall maintain proper account of consumption of the imported material in the prescribed manner.

Conditions of actual user licences

89. (1) Import licences issued to actual users, including those issued under the import policy for registered exporters, will be subject to the following condition *inter-alia* :—

> "This licence is issued subject to the condition that all items of goods imported under it, shall be used only in the licence holder's factory, at the address shown in the application against which the licence is issued; and for the purpose for which the licence is issued; or may be processed in the factory of another manufacturing unit, but no portion thereof shall be sold to any other party or utilized or permitted to be used in any other manner.

The goods so processed in another factory shall, however, be utilised in the manufacturing processes undertaken by the licensee. The licensee shall maintain a proper account of consumption and utilization of the goods imported against the licence in the prescribed manner and produce such account to the licensing authority, sponsoring authority or any other, authority concerned, within such time as may be specified by such authority."

(2) The above condition will be in addition to any other conditions imposed or deemed to have been imposed, on a licence under Clause 5 of the Imports (Control) Order, 1955, dated the 7th December, 1955, as amended.

Grant of Emergency Licences for Spares

90. (1) Applications for the grant of licences for import of emergency spare parts, *i.e.*, spare parts required on an immediate basis, to overcome an emergency breakdown of production machinery including the breakdown which is unavoidable for technical reasons in the course of a months' period, will also be considered from actual users of all categories as and when received. This facility will also apply to applications for emergency spare parts for machine tools. Such applications will be dealt with, in terms of the relevant import policy in force.

(2) Applications for the import of emergency spare parts should be made to the licensing authorities concerned, except that :—

(a) Units engaged in the textile industry (other than jute and hemp) should apply for import of emergency spare parts to the regional licensing authority in whose jurisdiction they are situated; and

(b) Units borne on the books of the DGTD can also apply to the regional licensing authority in whose jurisdiction the factory of the unit is situated. Such units should, therefore, with each application for import of emergency spares, furnish a declaration indicating the C.I.F. value of such licences already obtained by the unit for the same licensing period and the value of applications for such licences for the same licensing period pending with the licensing authorities.

(3) Import applications for emergency spares should be made in the simplified application form prescribed for this purpose (form 'L'). appearing in Appendix—3.

(4) Applications for the import of emergency spares need not be routed through the sponsoring authorities. The applicants should produce a certificate from a qualified engineer of a production machinery to the effect that the spare parts applied for are required on immediate basis to overcome an emergency breakdown or a breakdown which is unavoidable for technical reasons in the course of the next one month. In the case of small scale units, which are not in a position to produce a certificate from a qualified engineer, a certificate issued to them by Small Industries Service Institute may also be accepted.

(5) The applicants should indicate in their applications, the country from which the original equipment was imported as also the country

from which the spare parts are sought to be imported. The application should be boldly stamped on top in red ink as "Application for Emergency Spares". The envelope should also be similarly stamped. There is no last date for submission of such applications during a licensing period.

(6) The maximum value limit up to which import licences under this provision may be issued to an unit in the course of a licensing period, will as as under :—

(a) Rs. 10,000/- in the case of large scale units borne on the books of the D.G.T.D., Textile Commissioner or Jute Commissioner.

(b) Rs. 4,000/- in the case of other units.

In each application, the applicant should indicate the value of emergency licences already obtained by him during the same licensing period.

(7) It will be necessary for an applicant to furnish the list of spares sought to be imported, indicating the c.i.f. value of each item. It will not be open to the licensee to import spare parts listed in Appendix 3 to the Import Trade Control Policy (Red Book-Vol. 1) for more than Rs. 1,000/- out of the maximum amount indicated in sub-para. (6) above.

(8) The provisions of this paragraph will also apply to the import of emergency spares, required by publishers of books, newspapers and periodicals.

Issue of Import Licences to actual users for back periods

91. (1) Where an application for an import licence from an actual user is not disposed of during the licensing period concerned, on account of any delay or laches on the part of the applicant, no licence against such application will be issued after the expiry of the licensing period or after the close of the monetary ceiling. However, if the delay in the disposal of the application is on the part of the licensing authority or sponsoring authority or any other Government Department, the application will be considered on merits.

(2) While dealing with an import application for a back period in appeal or otherwise, the authorities concerned will consider such an application having regard to the general principles laid down, that is, availability of monetary ceiling, availability of goods applied for from indigenous sources or other commercial channels, essentiality of the goods applied for, stocks held by the applicant and expected arrivals against licences in hand; past imports and consumption of the item(s) in question by the applicant, actual production during the preceding period, estimated production, the import policy in force, and other factors considered relevant and necessary.

(3) In cases where the applications for licences are not disposed of during the licensing period concerned or before the close of the monetary ceiling on account of delay on the part of the sponsoring authority or the licensing authority or any other Government Department, and import licences to the category of importers to which the applicant belongs were issued in the relevant licensing period subject to any fixed foreign exchange ceiling, the value of a licence issued in such a case will be treated as first charge on the monetary ceiling to be allocated for the next licensing period; and the necessary intimation in this regard will be given to the sponsoring authority.

Misuse of A.U. licences

92. (1) It has been noticed that in some cases, the actual users divert to other channels/uses the raw materials or components, etc., licensed to them for use in their factories. Attention of the actual users is drawn to the condition applicable to A.U. licences, to the effect that the goods shall be utilised in the licence holder's factory only for the purpose for which they are imported, and no portion thereof shall be sold to or permitted to be utilised by any other party. Steps are taken to ensure that this condition is strictly complied with. If any licensee infringes the aforesaid condition, no further assistance will be given to him for the import of goods in the category of actual users, without prejudice to any other action which may be taken against him under the Imports and Exports (Control) Act, 1947 and the Imports (Control) Order, 1955, dated the 7th December, 1955 as amended.

(2) Similarly, where any imported goods are allotted to an actual user through the State Trading Corporation of India or any other recognised agency for use in the actual user's factory, it will not be open to the actual user concerned to divert such goods to other channels/uses or to allow any other party to utilise the said goods. If any actual user is found to have misused the goods so allotted to him, no further assistance will be given to him or any allotment made to him in future, without prejudice to any other action which may be taken against him under the Imports and Exports (Control) Act, 1947 and the Order made thereunder.

(3) **Licensees to maintain account of consumption.**—The actual user should maintain a proper account of the consumption and utilisation of the imported goods in the prescribed proforma as given in Appendix 19 to this Book. In the event of his failure to maintain proper account in this manner in respect of any goods imported against actual user licences or allotted to the actual users from the State Trading Corporation of India etc., the applications for issue of further licences or allotments will be liable to rejection without prejudice to any other action that may be taken against him. It will be the responsibility of the actual user to satisfy the sponsoring as well as licensing authorities that he has maintained a proper account of consumption and utilisation of the imported materials and has fully complied with the conditions subject to which the imports or allotments of imported goods were allowed to him. The licensee shall be required to produce the account of consumption and utilisation of imported materials maintained by him, to the licensing authority or sponsoring authority or any other concerned authority, when called upon to do so, and within such time as may be specified by such authority.

(4) **Check by sponsoring authorities.**—The Directors of Industries and other sponsoring authorities will check up whether the imported material has been properly utilised by the licensee. In cases involving contravention of conditions of licences or allotments of imported goods, the reports will be sent by the Directors of Industries and other sponsoring authorities to the licensing authorities concerned to enable the latter to initiate action against the parties concerned. For this purpose, it is essential for all actual users wishing to take advantage of the import of goods as raw materials, components, spare parts, accessories, or machineries, etc., to maintain

accurate and up-to-date records of stocks, procurement and consumption of articles used by them in their industrial undertakings, as provided in sub-para. (3) above.

Change in the name, constitution or ownership of actual user's business

93. (1) No approval of the Import Trade Control authorities is necessary for effecting a change in the name, constitution or ownership of an actual user's business, except in the types of cases mentioned in this paragraph.

(2) **Change of name.**—(a) Where an import licence has been issued to an actual user, and before the importation of goods against the said licence, there is a change, in the name of the licensee actual user's manufacturing business, without any change in the ownership of factory for which the said licence was issued, the licence holder should apply to the licensing authority which had issued the licence in question, for necessary amendment on the licence. Such request should be made through the sponsoring authority concerned.

(b) If there is no unutilised import licence in hand at the time of change, the actual user should, in his first application for a licence made after the date of change, expressly indicate that there has been a change in name without any change in the ownership or constitution of his manufacturing business. If, in terms of the import policy in force, such application is required to be made direct to the licensing authority, and not through the sponsoring authority concerned, the actual user should produce with his application a certificate of the sponsoring authority to the effect that the registration with the sponsoring authority in the original name has been amended, accordingly.

(3) **Change in ownership or constitution.**—Where there is a change in the ownership or constitution (including a change by division) of an actual user's manufacturing business, with or without a change in the name of the business, the following provisions will apply :—

(i) If the original owner has imported machinery or any other imported goods in the industrial unit concerned, he should obtain the prior permission of the sponsoring authority concerned for transfer of the manufacturing business in favour of the new owner or the reconstituted concern, as the case may be. The intimation about the change should also be sent by the original owner to the licensing authority concerned.

(ii) In the event of such change, the original owner should transfer in favour of the new owner or the reconstituted concern, as the case may be, all the machinery and other materials imported for use in the industrial unit sought to be transferred.

(iii) Where an import licence had been issued to the original owner, and before the importation of the goods against the said licence, the change in ownership or constitution has taken place, the original and the new owner of the manufacturing business should make a joint application to the licensing authority which had issued the licence, for permission to transfer the licence in favour of the new owner or the reconstituted concern, as the case may be, in terms of sub-clause 5(3)(i) of the Imports

(Control) Order, 1955, dated the 7th December, 1955, as amended. The application should be made through the Sponsoring authority of the new owner, and it should be expressly stated in the application whether the approval of the Sponsoring authority of the original owner has been obtained in regard to the transfer of manufacturing business as stated in sub-clause (i) above.

(iv) If there is no unutilised licence in hand at the time of change, the new owner or the reconstituted concern, as the case may be, should, in the first application for a licence made after the date of change, expressly indicate that there has been a change in the ownership or constitution of the manufacturing business. If, in terms of the import policy in force, such application is required to be made direct to the licensing authority, and not through the sponsoring authority concerned, an evidence should be produced with the application to the effect that prior approval of the sponsoring authority of the original owner has been obtained in regard to the change in ownership of constitution, and the new owner has been duly registered with the sponsoring authority concerned

(4) Where an actual user transfers only a part of the factory, or imported machinery; or where any other imported materials are sold by an actual user, without selling his manufacturing business or factory for which the goods, in question, were imported; or where an actual user sells his factory/manufacturing business, but the purchaser is not acquiring the imported raw materials, components or spares belonging to the industrial unit concerned, and the actual user has to sell such materials to another party, such sales will be governed by the procedure laid down in paragraph 94 of this book and clause 10-C of the Imports (Control) Order, 1955, as amended.

(5) The licensing authority will consider applications for transfer of licences under this paragraph on the recommendation of the sponsoring authority, in cases where the transferee is not debarred or suspended from receiving licences under the provisions of the Imports (Control) Order, 1955, dated the 7th December, 1955, as amended.

(6) The provisions regarding grant of licences to established importers-*cum*-manufacturers as laid down in Chapter XVII of this book, will also apply while considering applications for transfer of licences under this paragraph. The applicants should, therefore, furnish the necessary information in this regard when they apply for transfer of licences.

(7) The provisions made in sub-paras. (1) to (5) of this paragraph will also apply to import licences issued to actual users under the import policy for Registered Exporters.

Procedure for Transfer of Imported Goods by Actual Users

94. (1) Where, after importing goods against an actual user's licence, the actual user licensee finds that, for any reasons, he is not in a position to utilise the goods in accordance with the conditions of the licence under which the goods were imported, he should find another actual user and transfer the goods to the latter with the permission of the licensing authority who had issued the licence. The buyer of the goods in such cases should

be an actual user requiring the goods in question for use in his industrial unit.

(2) If the actual user is not able to find a suitable and willing buyer for the goods, he should approach the State Director of Industries or the sponsoring authority concerned, who may be in a position to suggest a suitable and willing buyer.

(3) The sale price of the goods in question should be settled between the seller and the buyer taking into account the following :—

(a) C.i.f. value of the imported goods;

(b) Customs duty paid;

(c) Landing and clearing charges paid;

(d) Transportation charges paid from the Customs port to the factory/godown of the seller; and

(e) Other reasonable incidental charges incurred in relation to the imported goods in question. Such charges should not include expenses like demurrage, fines or penalty paid in respect of the goods.

(4) After settling the price, the buyer should make an application for permission to purchase the goods in question to the licensing authority who had issued the licence, under which the goods were imported. Such application should be made through the sponsoring authority of the buyer actual user. The application should be made in the prescribed form i.e., the form which the applicant had used if he had to apply for an import licence for such goods. No application fee will be required to be paid on such applications. The application should be supported by a letter of consent of the seller to transfer the goods in question on the price settled between the parties. In the consent letter, the break-up of the sale price as indicated in sub-para. (3) above should also be given.

(5) The sponsoring authority will forward the application to the licensing authority concerned who will consider the same on merits having regard to the recommendations of the sponsoring authority. If the permission to transfer is granted, it shall be subject to the usual conditions applicable to actual user licences regarding utilisation of the imported goods. An intimation about the transfer will be given to the licensing authority under whose jurisdiction the buyer is situated and to the sponsoring authority of the seller actual user.

(6) Where any imported material has been allowed to an actual user through the State Trading Corporation or any other recognised agency and the allottee is not in a position to use the goods for the purpose for which the allotment was made, he cannot use the imported goods for a different purpose and in a manner otherwise than as declared by him in his application for such allotment or distribution or in any other documents submitted by him in support of such application. In such cases also, the allottee should find another actual user to use the goods for the purpose for which they were imported. The goods will be transferred to such person in the same manner as indicated in the above sub-paras.

(7) **Sale of imported goods to public sector agencies.**—(a) If an actual user is not in a position to utilise any imported goods for the purpose of

which the import was allowed, he can sell the goods, in question, to the State Trading Corporation, Minerals & Metals Trading Corporation, State Small Industries Corporation or any other similar public sector agency, at a price to be settled between the seller and the buyer. The seller shall give an intimation of the sale to the sponsoring authority concerned and to licensing authority which had issued the licence against which the goods had been imported. No prior permission of the licensing authority will be necessary for such sale.

(b) The provisions of sub-para (a) above will also apply to the sale of imported goods lying with a bank, where the bank had cleared the goods from the Customs as a joint holder of the licence against which the goods were imported, or where the imported goods had been pledged with the bank by the licence holder, and the licence holder is not in a position to take over the goods in question for being utilised for the purpose for which the import had been allowed. In such a case, the bank can sell the imported goods to the STC, MMTC or a any other similar agency in the manner indicated in (a) above, provided the licence holder agrees to the sale.

(8) The agency purchasing the goods under sub-para (7) above shall sell the same to actual users at a reasonable price and within a reasonable time.

(9) **Loaning of imported raw materials.**—(a) Actual users having in their stock imported raw materials, components and spare parts, may loan a portion of such goods to another actual user who is in need of the same for meeting his urgent requirements. This arrangements shall be purely on a loan basis and for a specified period within which the goods of the same specification and description shall be returned. Such loan should be given only with the prior written permission of the sponsoring authority of the licensee and only to another actual user within the jurisdiction of the same sponsoring authority.

(b) The sponsoring authority giving such permission as well as the licensee shall immediately inform in writing to the licensing authority concerned.

(c) The actual user parting with the goods on loan and the actual user receiving the same on loan shall abide by the following :—

(i) Both the actual users shall make entries in respect of the goods, in question, in the account maintained by them in the proforma as given in Appendix 19 to this book. Such entries will be made both at the time of loaning the goods and also at the time these are returned by the loanee.

(ii) Both the actual users shall in their import applications, while indicating the stocks held by them, also indicate the quantity of goods loaned or received as loan, as the case may be, and the period for which the goods have been loaned.

(d) In the event of any abuse of this facility, both the actual users and any other person responsible for such abuse, shall be liable to action under the import trade control rules, without prejudice to any other action that may be taken against them in this behalf.

10. **Intimation to licensing authority.**—If an actual user is not in a position to utilise completely the imported raw materials, components or spares within two years from the date of importation, he should inform the licensing authority, explaining the reasons for non-utilisation. Such information should be sent through the sponsoring authority concerned.

(11) The provisions made in this paragraph will also apply to import licences/allotment of imported goods, issued to actual users under the import policy for Registered Exporters.

(12) Cases not covered by this paragraph may be dealt with under Clause 10-C of the Imports (Control) Order, 1955, dated the 7th December 1955, as amended.

95. **Firework industry.**—No application for import of raw materials by the fireworks industry both in the scheduled and non-scheduled sectors for the manufacture of fireworks will be entertained by the licensing authorities unless the applicants are in possession of a valid licence under the Explosives Act. The sponsoring authorities should not, therefore, recommend an import licence in favour of fireworks industry, if the applicant is not in possession of a valid licence under the Explosives Act. In his recommendation for the licence, the sponsoring authority should indicate that the applicant is in possession of the required licence under the Explosive Act. Where applications for licences are required to be sent by actual users to the licensing authorities direct, the applicants should produce, with their import applications, documentary evidence to the effect that they are in possession of a valid licence under the Explosives Act.

Spare parts of mining machinery

96. (1) A.U. applications for import of spare parts of mining machinery should be made to the regional licensing authorities concerned. Such applications should be made on annual basis, in the prescribed form (form 'B').

(2) The applications should be made direct to the licensing authorities concerned and not through any sponsoring authority. The applicant is also not required to obtain any essentiality certificate from the sponsoring authority for the import of spares.

(3) The applications should be accompanied by the following information :—

(i) The description of machinery for the maintenance of which the spare parts are required.

(ii) Number of the machinery/equipment in use for which spares are required.

(iii) Country of origin of machinery/equipment in use.

(iv) C.i.f. value of machinery/equipment imported prior to 6-6-1966 indicating the year of import.

(v) C.i.f. value of equipment/machinery imported after 6-6-1966 indicating the year of import.

(vi) The value of imported machinery/equipment purchased locally indicating whether the same was purchased prior to 6-6-1966 or after 6-6-1966.

(vii) The value of spares applied for; and

(viii) The extent to which the spares sought to be imported are not available in the country.

(4) The applications from National Development Mineral Corporation and Orissa Minerals Corporation will be considered by the Joint Chief Controller of Imports and Exports, (CLA), New Delhi and the Joint Chief Controller of Imports and Exports, Calcutta, respectively.

Procedure for allotments of imported goods canalised through public sector agencies

97. (1) In respect of goods the import of which is canalised through a public sector agency for meeting the requirements of actual users, the allotments of imported materials to actual users will be made in the following manner :—

(i) By release orders to be issued on applications made to the licensing authorities concerned, or

(ii) By release orders to be issued on applications made to the sponsoring authorities concerned, or

(iii) By direct allotments to be made by the canalising agency concerned.

(2) The manner of allotment in terms of sub-paragraph (1) above will be indicated in respect of each item in the relevant Import Trade Control Policy (Red Book).

(3) **Release orders issued by licensing authorities.**—The procedure to be followed in respect of items for which release orders will be issued by licensing authorities to the actual users concerned will be as indicated below :—

(a) The actual user should submit his import application in the prescribed form and manner to the licensing authority concerned through the sponsoring authority concerned. Units which are required to make their applications for licences direct to the licensing authorities concerned under the import policy in force should not route their applications through the sponsoring authorities concerned. Applications should be supported by treasury challan showing payment of application fee and other documents as are required in terms of the import policy in force.

(b) The import application should be a consolidated application covering all the requirements of raw materials and components in the case of priority industries and raw materials, components and spares in the case of units engaged in industries other than priority industries, pertaining to the end-product (including the related end-products) to which the application pertains. In

respect of the canalised items applied for in the said application, the applicant should indicate the item-wise value within the overall value applied for, unless the item, in question, is licensable on restricted basis in which case the value limit will be determined by the sponsoring authority/licensing authority in terms of the policy in force.

(c) Where an application is to be made through the sponsoring authority, the said authority will forward the same to the licensing authority concerned with its recommendation in the normal course. In respect of items licensable to actual users on restricted basis, the sponsoring authority will indicate the value limit against each item within the overall value recommended. The licensing authority will consider the applications on merits in terms the import policy in force. In respect of canalinsed items, instead of issuing a direct licence to the applicant, the licensing authority will issue release order in favour of the applicant on the canalising agency concerned, in the proforma appearing in Appendix 34.

(d) Where an application is to be made direct to the licensing authority concerned, the licensing authority will consider the application on merits in terms of the import policy in force. In respect of canalised items, instead of issuing a direct licence to the applicant, the licensing authority will issue release order in favour of the applicant on the canalising agency concerned, in the proforma appearing in Appendix 34.

(e) The original release order will be sent to the applicant and a copy thereof will be sent by the licensing authority to the canalising agency. For purposes of verification, the licensing authority will also send confirmatory statements every week to the canalising agencies indicating particulars of the release orders issued during the week. In every case, a copy of the letter with which the release order is sent to the applicant, will be forwarded by the licensing authority to the sponsoring authority concerned.

(f) The release order will be valid for a specified period during which the allottee will be required to draw supplies from the canalising agency in accordance with the procedure for allotment/distribution prescribed by such agency.

(4) **Release orders issued by sponsoring authorities.**—The procedure to be followed in respect of items for which release orders will be issued by sponsoring authorities to the actual users concerned will be as indicated below :—

(a) The actual user should submit his application for allotment in respect of canalised items to the sponsoring authority concerned, in the prescribed form and manner. The application should not include any non-canalised items. No application fees is required to be paid by the applicant for such applications.

(b) If the application is in respect of more than one canalised item, the applicant should indicate the value limit in respect of each

item within the total value, unless the item in question is licensable on restricted basis to actual users in which case the value limit will be determined by sponsoring authority in terms of the import policy in force.

(c) The sponsoring authority will issue release order(s) on the canalising agency in favour of the applicant. The original release order will be sent to the applicant by the sponsoring authority, and a copy thereof to the canalising agency concerned. For purposes of verification, the sponsoring authority will send every week confirmatory statements to the canalising agencies indicating particulars of the release orders issued during the week.

(d) The release order will be issued in the proforma as given in Appendix 34. It will be valid for a specified period during which the allottee will be required to draw supplies from the canalising agency in accordance with the procedure for allotment/distribution prescribed by such agency.

(5) **Direct allotments to be made by canalising agencies.**—The procedure to be followed in respect of items for which allotments will be made direct by canalising agencies to the actual users, will be as indicated below :—

(a) Actual users will approach the canalising agency concerned direct according to the procedure prescribed by such agency.

(b) Each actual user should give an undertaking to the canalising agency that he shall use the material allotted to him in his own factory for the purpose for which the allotment is made and no portion thereof will be disposed of or used in any other manner.

(c) The canalising agency will make the allotments according to the directions/guidelines obtained by it from the sponsoring authorities concerned.

(d) The canalising agency will send monthly reports of such allotments to the sponsoring authorities concerned, indicating the particulars of allotments made during the month.

(6) In cases covered by the import policy for Registered Exporters, the applications in respect of canalised items should be made with other import items to the licensing authorities concerned in the form and manner prescribed in the import policy for Registered Exporters. In such cases release orders for canalised items will be issued by the licensing authorities. The applicant should indicate the value limit in respect of each canalised items within the overall value applied for, unless a specific value limit has already been indicated in the import policy for Registered Exporters.

(7) If a release order covers more than one item and in respect of any of such items a specific value limit has been indicated, it will be open to the actual user concerned to obtain supplies from the canalising agency in respect of such item more in value/quantity than the specified limit, but not exceeding 10 per cent thereof, within the overall value of the release order.

(8) An actual user receiving imported materials from a canalising agency shall be required to utilise such materials in his own factory, at the address shown in the application against which the allotment is made, and for the purpose for which the allotment is made, and no portion thereof shall be sold to any other party or utilised or permitted to be used in any other manner. The allottee shall maintain a proper account of consumption and utilisation of the imported goods in the prescribed manner in the proforma appearing in Appendix 19, and produce such account to the licensing authority, the sponsoring authority, or any other authority concerned, within such time as may be specified by such authority.

Import of Prototypes

98. (1) Applications for the import of machinery and instruments as prototypes, will be considered by the Chief Controller of Imports and Exports (C.G. Division), New Delhi.

(2) Applications should be made in Form 'E', meant for the import of capital goods, along with additional information in the proforma appearing in Appendix 32, through the sponsoring authority concerned. The sponsoring authority will forward the application to the Chief Controller of Imports and Exports, New Delhi, with his recommendation in Part III of the application (Form 'E'), and will also certify the additional information furnished by the applicant.

(3) In the case of small scale units, the sponsoring authority will forward the application with his recommendation through the D.C.(S.S.I.), New Delhi.

(4) Import licences for proto-types shall be subject to the condition, *inter-alia,* that the imported goods shall be used in the licence holder's factory is proto-type only, and shall not be sold, or disposed of, or permitted to be utilised by any other person, or in any other manner, except with the prior written permission of the licensing authority.

99. Applications for the import of goods other than machinery/instruments, such as chemicals, raw materials, etc. to be used as prototypes will be considered by the licensing authorities concerned on the recommendations of the sponsoring authorities, in terms of the import policy in force.

Import of spare parts required for servicing

100. (1) Applications for import of spare parts may be considered by the licensing authorities from manufacturers of machinery to enable such units to meet the servicing requirements in respect of machinery manufactured by them, and which is in use in the country. Such applications will be considered for permissible spare parts only on the recommendations of the sponsoring authorities concerned.

(2) Applications for such spare parts should be made through the sponsoring authorities concerned, supported by a list of spare parts sought to be imported, and a statement, certified by a Chartered Accountant, indicating the number of machinery, equipments and vehicles, and their description, manufactured by the applicant-unit during the last three years, for which the applicant has to meet servicing requirements. This information may be given separately for each of the preceding three years.

(3) Import licences issued under this provision may be subject to the following condition *inter-alia* :—

> "The goods imported against this licence shall be used only for servicing and maintenance of the machinery/equivalent/vehicles manufactured by the licensee, and which are in operation in the country."

Special procedure for issue of licences to Actual users

101. Notwithstanding anything contained in this chapter, the Chief Controller of Imports and Exports or the licensing authority may by issuing a Public Notice or a Trade Notice, evolve any special procedure for issue of import licences to actual users in respect of any licensing period or commodity on any category of actual users. In such cases, the provisions of this book regarding the procedure for submission of applications and processing of applications will be applicable only to the extent indicated by the C.C.I. & E. or the licensing authority.

CHAPTER V

REGISTERED EXPORTERS

Definition

102. (1) Registered exporters are those who hold valid registration certificates issued to them by the registering authorities concerned, namely, the Export Promotion Councils, Commodity Boards and the Export Promotion authorities at the ports. The names of registering authorities for different export products are given in Appendix 4 (Annexure I).

(2) A registered exporter may be a merchant-exporter or a manufacturer-exporter.

(3) Applications for import licences under the import policy for Registered Exporters will be entertained only from registered exporters, including merchant exporters, manufacturer-exporters and eligible merchandising export houses, in the private and the public sectors.

Procedure for Registration of Exporters

103. (1) **Application for registration.**—(a) Application for registration should be made to the appropriate registering authority, indicated in Appendix 4 (Annexure I). In the case of concerns having branches, the application for registration can be made by the registered office, in the case of limited companies, and head office in the case of others. A registration certificate issued to the registered office/head office in such cases will also be valid for the branches of the registered concern. The branches can also apply separately for registration in which case the registering authority will issue a separate registration certificate to the applicant branch.

(b) Application for registration should be made in the form appearing in Appendix 4 (Annexure II). It should be accompanied by a bank certificate in support of the applicant's financial soundness.

(2) **Registration certificate.**—The form of registration certificate issued to exporters has been revised, as given in Appendix 4 (Appendix IIA). This is a "registration-*cum*-membership certificate" which has three parts. Part I should be filled in by the applicant. Part II is to be filled in by the sponsoring authority concerned in the case of manufacturer-exporters. Part III will be filled in by the registering authority. The application for registration should also, therefore, be accompanied by this form with its Part I duly filled in by the applicant. Manufacturer-exporters should submit this form in triplicate and others in duplicate.

(3) Where a registration certificate is also valid for the branches of the registered concern, the registering authority will forward copies of the registration certificate to other registering authorities in whose jurisdiction such branches are situated. The detailed procedure for submission and processing of applications for registration and for the grant of registration-*cum*-membership certificates, is given in Appendix 4 (Annexure II-A).

(4) **Eligibility for registration.**—Exporters who are members* of the E. P. Council concerned, having a past export performance, a good record and experience, are eligible for registration. An applicant having no previous experience of export in a particular line may also be registered if the registering authority is satisfied about the general commercial background of the applicant, his industrial experience or export performance in other lines.

(5) **Conditions of registration.**—(a) A registration certificate will be issued subject to such conditions as the registering authority concerned may consider necessary. One of the conditions of registration shall be that the registered exporter shall furnish quarterly returns of exports (including nil returns), to the registering authority by the fifteenth day of the month following the quarter.

(b) The registration for an item with an E. P. Council, or Commodity Board, or Export Promotion authority, will hold good for all the items with which the particular Council/Board is concerned, except for certain categories of engineering goods, in respect of which registration will be valid only for that particular category.

(c) Once an exporter has been registered, the registration shall remain valid for three years unless the exporter registered ceases to exist, or his name is de-registered for any reason or he becomes ineligible to hold the certificate.

Exports prior to date of Application for Registration

104. Exports made by a registered exporter before a date earlier than three months prior to date of application for registration, will not be considered for the grant of an import licence under the import policy for registered exporters. For this purpose, the effective date of submission of the application will be the date on which the application, duly supported by a bank certificate testifying the applicant's financial soundness, is received by the registering authority (or sponsoring authority in the case of manufacturer-exporters). Where an application is not supported by the required bank certificate, the date on which the bank certificate is received will be taken as the date of submission of the application. For reckoning the period of three months, the month during which the application for registration/bank certificate is received, will not be taken into account. Exports made three months prior to the date of application for Registration or subsequent to grant of Registration Certificate would be eligible for grant of replenishment licence provided the application against such exports are made within the time limits as provided in para 112.

Change in constitution or ownership

105. Where there is any change in the ownership, constitution or name of any concern, which has been registered under the import policy for Registered Exporters, it shall be obligatory on the part of the person in authority in the concern, as originally registered, to intimate the fact of such change to the registering authority within three months of the change. In the case of manufacturer-exporters, the registering authority will also verify

*The condition of membership in the case of Gem and Jewellery items has been temporarily suspended.

whether the permission of the sponsoring authority in regard to the change has been obtained in terms of para 93 of this book.

De-registration of Exporters

106. (1) The registering authority may initiate action to de-register an exporter, where such authority is satisfied that the exporter :

(a) has ceased to have the qualification required for registration or the conditions of registration have been violated; or

(b) has indulged in any form of unfair, corrupt or fraudulent practice, or failed to fulfil any export obligation.

(2) An exporter will ordinarily be given a 'show cause' notice, before he is de-registered. The registering authority, keeping in view the reason for de-registration will decide whether the de-registration should be for a specified period or for an indefinite period, or whether the de-registration should be limited to a particular export product or be of wider applicability. The registering authority will not be bound to give reasons for de-registration.

Registration and de-registration by the Chief Controller of Imports and Exports, New Delhi

107. Notwithstanding anything contained in paragraph 106 above :

(1) The Chief Controller of Imports and Exports, New Delhi, may register an exporter or direct the registering authorities to register an exporter. The registration done by the Chief Controller of Imports and Exports, New Delhi, or his direction to the registering authorities in this regard, will apply to such export products covered by the import policy for Registered Exporters, as may be specified by him.

(2) If, on the basis of the information available, the Chief Controller of Imports and Exports, New Delhi, is of the opinion that any exporter has committed a breach of any law (including any rule, order or regulation), relating to Customs or the import and export of goods or foreign exchange, he may, without prejudice to any other action that may be taken in this behalf, refuse to register such exporter or direct the registering authorities to do likewise, or he may de-register an exporter, if the exporter has already been registered, or direct the registering authorities to do-register him for a specified or an indefinite period and in respect of a particular export product or products or all the export products covered by the import policy for registered exporters.

Appeals and review Applications relating to registration and de-registration

108. (1) When an exporter is not satisfied with a decision of any of the registering authorities listed in Appendix 4 (Annexure I) refusing to register him or for de-registering him, he may prefer an appeal to the Chief

Controller of Imports and Exports, New Delhi, within a period of 45 days from the date of the communication containing the decision appealed against. Such appeals will be considered by the Chief Controller of Imports and Exports, New Delhi, if necessary, in consultation with the Ministry of Foreign Trade, New Delhi.

(2) Any person aggrieved by the decision of the Chief Controller of Imports and Exports, New Delhi, taken in terms of the provisions of paragraphs 107 and 108, above, may make a representation to him for review of such decision within a period of 45 days from the date of the communication containing the decision against which the representation is made. On consideration of such representations, if it is so decided, the Chief Controller of Imports and Exports, New Delhi, may, with the approval of the Ministry of Foreign Trade, New Delhi, either himself re-register the exporter, or restore registration, or he may direct the registering authorities to re-register such exporter or restore his registration. The re-registration or restoration of registration in such cases will be subject to such condition(s) as the Chief Controller may decide.

Certification of Exports

109. (1) At the time of shipment, a registered exporter should have a copy of the shipping bill duly authenticated by the Customs, for the purpose of attaching it to his application for a replenishment licence, at the appropriate time.

(2) After shipment, the exporter should have the exports certified by an authorised dealer in foreign exchange at the time of presentation of export documents to such dealer, *i.e.*, the bank, for the purpose of negotiation and/or collection of bills. While presenting the export documents, the exporter should fill in and give to the bank the declaration (in triplicate) in form I as in Appendix 4 (Annexure III), for exports made on 'outright' sale basis and in form II in Appendix 4 (Annexure III), for exports on consignment basis/approval basis.

(3) The Bank will certify the f.o.b. value of exports in Indian rupees and counter-sign the declaration after necessary verification with reference to the export documents. The bank will then pass on the original certificate with the relevant copy of the Bank attested invoice to the exporter concerned, the duplicate to the licensing authority concerned, and the triplicate will be retained by the bank for its record. In case of exports made on consignment basis/approval basis, the Bank will certify the f.o.b. value and counter-sign and pass on the certificate as in Form No. II, to the exporter, only after the exports' sale proceeds have been realised and surrendered to the Indian Exchange Control. A copy of the Ministry of Foreign Trade Public Notice No. 47-ITC(PN)/70, dated the 31st March, 1970, indicating the detailed procedure to be followed in this regard is reproduced in Appendix 4 (Annexure III), along with the revised forms to be used.

(4) The above procedure implies that the authorised dealer in foreign exchange will issue separate certificates in respect of each consignment of export at the time of presentation of export documents. A bank certificate covering more than one consignment may also be entertained.

(5) The exporter will, at the time of the submission of the application for the grant of replenishment licence in accordance with the prescribed

time schedule, enclose the original bank certificate(s) and copies of the Bank attested invoices, and quote in the statement of exports furnished with the application the number and date of the certificate issued by the Bank for each of the shipments covered by the application.

(6) The procedure outlined above for certification of exports by the authorised dealers in foreign exchange will not apply in the case of the following :—

(i) Gem and jewellery;
(ii) Cinematographic films (exposed);
(iii) Exports by Value Payable Post parcel;
(iv) Export of books, journals and periodicals by post;
(v) Supplies made to foreign shipping companies as ship stores;
(vi) Sales made at international exhibitions abroad;
(vii) Sales of handicraft items to foreign tourists;
(viii) Export of carpets to foreign tourists against advance payments;
(ix) Supplies made for IBRD/IDA aided projects in India; and
(x) Exports financed out of rupee funds of the U.N. Agencies.

Procedure for Submission of Applications for Licences

110. (1) Consolidated applications for import licences against export of all the products in a product-group should be made in the prescribed form as given in Appendix 4 (Annexure IV) to the licensing authority under whose jurisdiction the registered office, in the case of a limited company, and head office in the case of other registered exporters, is situated. In respect of Gem and Jewellery exports, applications for licences may be made separately for each exported item, instead of a consolidated application. The names and jurisdiction of the licensing authorities are indicated in Appendix 4 (Annexure V). If import licences are claimed in favour of more than one nominee, the consolidated application should contain the particulars of each of the nominees, indicating separate values in respect of each, in the application form and the statement of exports enclosed therewith.

(2) It will, however, be open to a branch of a limited company or of a registered exporter to apply for an import replenishment licence against the exports effected by it, to the licensing authority within whose jurisdiction the branch is situated, provided that such branch is separately registered as an exporter or produces evidence to the effect that the registration certificate issued to limited company/head office, is also valid for the branch in question. The applications in such types of cases should be accompanied by a certificate of head office or the registered office as the case may be, that it has not claimed and will not claim any replenishment licence against the exports covered by the application.

(3) Merchandising export houses holding valid certificates of eligibilty issued by the Chief Controller of Imports and Exports, New Delhi, may submit either a consolidated application in terms of sub-para (1) above or separate applications in respect of each of their nominees, against export products falling within the same product group.

(4) Import applications should be made to the licensing authorities concerned direct, except in the case of gem and jewellery items, for which the applications should be routed through the Gem & Jewellery Export Promotion Council, Bombay.

Frequency of Applications

111. (1) Subject to the exceptions made in this paragraph, an exporter should make one application for import replenishment against his exports of all the products in a product-group, made within a quarter, namely, April-June, July-September and so on. In the case of exports on consignment/approval basis, such application should be made in respect of sale proceeds realised and surrendered to the Indian Exchange Control within a quarter.

(2) An eligible merchandising export house may, if it so desires, submit separate quarterly applications in respect of each of its nominees against export products falling within the same product-group.

(3) A registered exporter who is eligible to claim licences in his own name may, if he so desires, make applications covering his exports effected within a period of one month or two months within a quarter, instead of making quarterly applications.

(4) The facility in sub-para (3) above will also be available to registered exporters claiming licences in the names of their nominees, provided the value of exports for the month or two months, as the case may be, is not less than Rs. one lakh. This minimum value limit of Rs. one lakh will not apply in the case of second and subsequent applications made by the registered exporters in the same quarter.

(5) In the case of the following products, a registered exporter will have the option of filing applications on a six-monthly basis (April-September and October-March), provided no nomination is involved :—

(i) Sports goods;

(ii) Books;

(iii) Processed foods;

(iv) Cellulosic fabrics, *i.e.*, fabrics made of viscose filament yarn, acetate filament yarn and spun rayon yarn; and

(v) Blended fabrics from mixture of cotton/cellulosic fibre or yarn/nylon/polyester fibre or yarn.

(6) Exporters of journals and periodicals will have the option to make applications on an annual basis, for the licensing year, provided no nominations are involved, and provided further, that the exporter satisfies the licensing authority that he is receiving subscriptions in respect of the journals and periodicals on an annual basis and is making the invoices accordingly.

(7) In the case of exports of leather footwear made by the State Trading Corporation, the applications may be filed covering exports made during a licensing period.

(8) Exporters desirous of availing themselves of the facility allowed in sub-paras (5) and (6) above, will have to opt for this facility, and the option so exercised will be conveyed to the licensing authority concerned. Any change in the option will be allowed only with the prior approval of the said authority.

(9) A manufacturer-exporter who wishes to claim import licences in his own name against every application that he will make, can by special arrangement with the licensing authority concerned, obtain the facility of

submitting his applications in the simplified form given in Appendix 4 (Annexure VI). The arrangement will specify what products the manufacturer-exporter would export. In such cases, I.V.C. No. need be quoted only once at the beginning of each year.

(10) The provisions of sub-para (9) above will also apply so merchant-exporters who are eligible to claim licences in their own name.

Time limit for submission of applications

112. (1) Applications for import replenishment licences should be made, complete in all respects, so as to reach the licensing authorities concerned within the time limits indicated below :—

(a) Quarterly applications under sub-paras 111(1) and 111(2) above :

(i) Where the exports on the basis of which the application is made include shipments effected in the last month of the export quarter, the exporters should submit their applications for licences within two months of the expiry of the export quarter.

(ii) Where the exports on the basis of which the application is made do not include shipments effected in the last month of the export quarter, the exporters should submit their applications for licences within one month of the expiry of the export quarter.

(b) In all other cases covered by para 111 above, the applications for licences should be made within two months after the relevant period of export.

(2) Application received after the prescribed time limit, or in respect of which the deficiencies, if any, are made up after the time limit prescribed for submission of applications, will be liable to be rejected. The licensing authority may, however, consider such applications, on merits, subject to a cut in the value of import replenishment admissible against the exports, in questions, in cases where such authority is satisfied that the applicant was unable to submit his application in time or to make up the deficiencies before the last date prescribed for submission of the application, for reasons beyond his control. The extent of cut in value that may be imposed in such cases will be as under :—

(i) 10 per cent in cases where the application, complete in all respects, is received within two months after the last date prescribed for submission of the application or the deficiencies in the application are made up within two months of the date on which the applicant is informed of the deficiency by the licensing authority.

(ii) 25 per cent in cases where the delay in making the application or in making up deficiencies, as indicated in (i) above is for more than two months but not more than five months.

(ii) Cases involving delay for a period of more than five months will not be entertained.

(3) For the purpose of imposing cuts, the applications will be treated as deficient if it is not accompanied by any of the documents required in terms

of para 114 below, and the documents pertaining to nominations in cases where nomination is involved. A document furnished incomplete or defective will also be treated as a deficiency.

Date of shipment/despatch

113. For the purpose of considering applications for import replenishment under the import policy for Registered Exporters, the relevant date of export will be determined as under :—

(a) In the case of shipments by Sea, the date of export will be determined by the date on the relevant bill of lading which generally shows the date on which the goods have actually been loaded on the ship.

(b) In the case of exports by air, the date of export will be determined by the date on the airway bill.

(c) In the case of exports by post parcel, the date of export will be determined by the date stamp on the postal receipt.

Documents to be submitted with applications

114. (1) Applications for licences should be made, complete in all respects, supported by a treasury challan for Rs. 50/- towards the application fee, and other prescribed documents.

(2) Along with the application, the applicant should furnish a statement of exports in the form given in Appendix 4 (Annexure IV), indicating the particulars of exports as certified by the Exporter's bank(s), against which the import application is made. For speedy finalisation of the application, the applicants are advised in their own interest to get the statement of exports certified by a Chartered Accountant.

(3) The following export documents should be produced with the application for import replenishment :—

(A) In the case of exports of goods except (1) Gem and jewellery, (2) Cinematographic film (exposed), (3) Books, journals and periodicals by post, (4) exports by V.P.P., (5) exports by ordinary post parcel, (6) supplies of materials made to a foreign shipping company as ship stores, (7) export of Indian goods sold at international exhibitions abroad, (8) Sale of handicrafts to foreign tourists and (9) exports of woollen carpets to foreign tourists against advance payments :—

(i) Bank certificate (in original) of exports, issued by the exporter's Bank;

(ii) Bank attested copy of the invoice; and

(iii) One copy of the shipping bill in respect of each shipment duly authenticated by the Customs.

(B) Exports by V.P.P. of products other than gem and jewellery and cinematographic films (exposed) :—

(i) Invoices giving description of goods, weight of the individual items and their total weight actually exported.

(ii) Relevant postal receipts.

(iii) Post-Master's certificate of payment or the intimation slip given by the Postal Department to the Indian recipient of the proceeds of the exports made by V.P.P.

(C) Export of books, journals and periodicals by post made by registered-exporters who have been allowed by the Reserve Bank of India to effect their exports, without observing P.P. formalities :—

(i) Postal receipt or a certificate of posting issued by the Post Office or any other evidence, in cases where the original Postal receipt has been forwarded to the importer. In the case of export by ordinary post, if the exporters are not able to produce certificate of posting, a photostat copy or a Chartered Accountant's certificate in lieu of the certificate of posting, issued by the Post office, should be submitted.

(ii) A Chartered Accountant's certificate giving the details of the exports, freight, etc.

(iii) Invoice certified by a Chartered Accountant.

(D) Export of books, journals and periodicals by post made by registered exporters who have not been exempted by the Reserve Bank of India from P. P. formalities :—

(i) Original Postal receipts or photostat copy thereof or a certificate of posting issued by the Post Office. In the case of exports by ordinary post, if the exporters are not able to produce certificate of posting, a Chartered Accountant's certificate giving complete details of postal charges, dates of export and particulars of exports, should be submitted.

(ii) Invoice certified by a Chartered Accountant indicating the P.P. Form Nos.

(iii) Bank certificate indicating the receipt of payment in foreign exchange as well as relevant P.P. Form No. (exports below Rs. 50/- made by ordinary post without P.P. form will not be eligible for replenishment under this procedure).

(E) Exports by registered post of products other than gem and jewellery and cinematographic films (exposed) :—

(i) Bank certificate (Original) of exports issued by the exporter's Bank.

(ii) Bank attested invoice.

(iii) Postal receipt or in cases where postal receipt has been forwarded to the consignee, a certificate issued by the exporter's Bank indicating clearly the postal receipt no.,

date and amount and certifying that the relevant postal receipt has been forwarded to the consignee.

(F) Supplies of materials made to foreign shipping companies as ship-stores :—

(i) Bank certificate (in original) regarding receipt of foreign exchange or Indian Rupees obtained from exchange of foreign currency.

(ii) Bank attested invoice.

(iii) One copy of the shipping bill duly authenticated by the Customs in respect of the supplies made to foreign shipping companies.

(G) Exports of goods sold at international exhibitions abroad :—

(i) Certificate from the Director of Exhibitions, Ministry of Foreign Trade, indicating the full description of the goods, the value, the name of the Indian exporter, date of sale, and certifying that the payment against the sales in question, has been repatriated to India and surrendered to the Indian Exchange Control.

(ii) Bank certificate indicating the receipt of payment in foreign exchange. The proforma of the bank certificate given in Appendix 4 (Annexure XII) may be used with suitable modifications. The time limit for submission of an application will be recorded from the date of payment as shown in the Bank certificate.

(H) Exports of woollen carpets for which payments are received locally (either in full or in part), from foreign tourists in the form of (a) foreign currency travellers cheques, (b) crossed foreign bank drafts and (c) personal cheques drawn on foreign banks :—

(i) Bank certificate (in original) of payment issued by the exporter's bank, in the proforma given in Appendix 4 (Annexure XIV).

(ii) Bank attested invoice.

(iii) A copy of the shipping bill duly authenticated by the Customs, and

(iv) In the case of postal exports, original postal receipt in lieu of shipping bill.

(I) Sale to foreign tourists of Handicraft items :

(i) Certified true copies of sale vouchers/cash memos, giving details of (a) name and nationality of the tourist (b) passport number of the tourists, (c) details of travellers cheques/crossed foreign bank drafts/personal cheques, drawn on foreign banks, (d) detailed description of the articles sold, specifying material of which they are made i.e. Ivory, Brass, Asbestos etc., and (e) value of each article;

(ii) Bank certificates indicating the number and date of the relevant sale voucher/cash memo, and showing receipt and surrender to the Indian Exchange Control of the relevant foreign currency travellers cheque/crossed foreign bank drafts/personal cheques drawn on foreign banks. (In the case of personal cheques drawn on foreign banks, the bank should also certify that the proceeds of the cheque have been realised in foreign exchanges as per the Exchange Control Regulations); and

(iii) The detailed procedure for submission of application is given in Appendix 4 (Annexure XVIII).

(4) Where the original copy of the shipping bill has been lost or misplaced, the licensing authority may accept a Customs' attested copy thereof or photostat copy of the Customs' authenticated shipping bill, or Customs' certificate of shipment issued by the Customs authorities, supported by the applicant's affidavit to the effect that the original authenticated copy of the shipping bill has been lost/misplaced without having been produced to any authority for claiming any benefit against the exports pertaining to the said shipping bill, and that if it is traced or found later, it shall not be produced in future to claim any such benefit.

(5) Requests from regular exporters of products other than gem and jewellery items and cinematographic films (exposed), having a large number of export transactions in each quarter, may be considered on merits by the Chief Controller of Imports and Exports, for admission of their applications for replenishment on the basis of other documentary evidence such as Chartered Accountant's certificate, indicating therein all the relevant particulars as are contained in the prescribed export documents, provided their annual exports exceed Rs. 50 lakhs, and provided further that the export products qualify only for import replenishment.

(6) Exporters should produce evidence of freight and insurance charges to the banks concerned to enable them to verify the f.o.b. value of exports in the Bank certificate. Immediate Rebate allowed by overseas shipping companies in freight charges at the time of shipment may also be taken into account by the banks while arriving at the f.o.b. value.

(7) The applicant should enclose with his application five copies of the list of items applied for. (Where imports of any of the permissible items are sought to be made from the rupee payment area, a separate set of 6 copies of the items to be imported from such area should be sent with the application for import licence).

(8) If an applicant wishes to apply for items on the basis of A.U. licence in terms of the import policy in force, he should also enclose the original, with a cerified copy of such licence (including list of goods attached to that licence). If the applicant is unable to produce the original licence and the list of goods, a legible photostat copy thereof may be also be accepted.

(9) For this purpose, the licences bearing the following entries against the column "Class of importer" will be accepted as A.U. licences :—

(a) Actual User.

(b) Raw Materials.

(c) Small Scale Industrial Units.

(10) Capital Goods/H.E.P. licences, the licences issued under the National Defence Remittance Scheme and the licences issued under the import policy for registered Exporters will not be regarded as A.U. licences for the purpose of grant of licences under this policy.

(11) Marchandising export houses should produce with their import application a copy of the eligibility certificate issued by the Chief Controller of Imports and Exports, New Delhi, with a declaration that it has not been cancelled or withdrawn.

Procedure for nominations

115. (1) The provisions in regard to nominations are contained in Part 'B' of Section I of the Import Trade Control Policy (Vol. II). Where a nomination is made in accordance with the relevant policy, the particulars of the nominee should be given in Part 'B' of the application form (Form 'H'), as appearing in Appendix 4 (Annexure IV).

(2) **Defective nominations**—An application where the nomination has not been correctly made, will be liable to be rejected by the licensing authority. In such a case, an application for licence will be considered to have been received by the licensing authority on the date on which the correct nomination is received.

(3) **Change in nomination.**—A licensing authority may allow a change in the nomination once made with the consent of the nominee, and subject to such restrictions and conditions as may be prescribed by such authority and subject to the provisions of sub-para 112(2) above.

(4) **Import of jigs, tools and machinery by supporting manufacturers of Export Houses.**—A registered manufacturers-exporter nominating an eligible merchandising Export House against the entire import replenishment admissible to him in respect of his exports in a particular export period under the import policy for Registered Exporters may retain a portion of such import entitlement, to import jigs, tools and machinery, upto specified value limits as indicated in Part 'B' of Section I of the Import Trade Control Policy (Volume II), in the manner stated below:—

(a) If the manufacturer-exporter concerned wishes to import jigs, tools, testing instruments and equipment and equipment for packing and tagging, upto 20 per cent of the import replenishment admissible to him subject to a maximum of Rs. one lakh, against his exports made during a particular export period in terms of the import policy in force, he may apply for an import licence in his name for such goods supported by a recommendation of the sponsoring authority concerned, and nominate the Export House only for the balance amount in the same application.

(b) If the manufacturer-exporter concerned wishes to import plant and machinery upto 50 per cent of the import replenishment admissible to him subject to a maximum of Rs. 2 lakhs in a half year, against his exports made during a particular export period in terms of the import policy in force, he may apply separately for a licence for these goods in the prescribed form and manner supported by a recommendation of the sponsoring authority concerned. In such cases, the nomination in favour of an eligible Export House can be made only for the balance import replenishment due to the manufacturer-exporter. For this purpose, the manufacturer-exporter can also retain his machinery entitlement every time while nominating an eligible Export House during a period of six months, in order to apply separately for the combined value of such machinery entitlements to obtain the licence upto 50 per cent of his total entitlement subject to a maximum of Rs. 2 lakhs in a half year, as provided in the relevant import policy in Part 'B' of Section I of the Import Trade Control Policy (Volume II).

(c) If a manufacturer-exporter has nominated an eligible merchandising Export House for his entire import entitlement in a certain period and the import licence has been issued to the Export House, the manufacturer-exporter may, subsequent to the issue of such licence, request for import of plant and machinery upto 50 per cent of the value of that licence subject to a maximum of of Rs. 2 lakhs by producing a written consent of the Export House concerned to this effect to the licensing authority. For this purpose, the manufacturer-exporter will also have the facility of combining more than one such licence issued to the Export House against his import entitlements, for import of plant and machinery upto 50 per cent of the value of such licences subject to a maximum of Rs. 2 lakhs within a half year. While giving its consent, the Export House concerned will surrender the import licences, in question, for a corresponding reduction in their value.

(5) Before making a nomination, the exporter should take the following precautions :—

(i) He should ensure that the nominee is a manufacturer of a product on the basis of which he can be nominated in terms of the import policy in force. He should verify the eligibility of the nominee with reference to the registration certificate issued to him by the sponsoring authority, or with reference to the actual user licence, if any, possessed by him. If the nominee is a registered manufacturer-exporter, the registration-*cum*-membership certificate issued to him by the registering authority in the revised form will also contain, in its Part II, an endorsement by the sponsoring authority indicating the end-products manufactured by the unit. A manufacturing unit will not be eligible for nomination if the registration certificate issued to it by the sponsoring authority is endorsed 'provisional' or 'temporary', or the registration certificate is endorsed as valid only upto a specified date.

(ii) He should ensure that the nominee is not debarred from receiving import licences or allotments of imported goods under the Imports (Control) Order; and

(iii) He should check up that the nominee is asking for items which are permissible according to the import policy for registered exporters, in force. It may be clarified that it will not be permissible for the manufacturer-exporter or his nominee to claim an item for import on the basis of Actual user licence issued to a different industrial unit even if both the units (*i.e.* the unit claiming the licence and the unit possessing Actual User licences) are owned by the same person or same set of persons or have common I.V.C. Registration/Exemption Number.

(6) In cases of nomination, the registered exporter should also enclose a copy of the registration certificate issued by the concerned sponsoring authority to the nominee-manufacture, indicating, *inter-alia*, the products for which the nominee has been registered.

Gem and Jewellery and Cinematographic Films (Exposed)

116. (1) In the case of gem and jewellery items and cinematographic films (exposed), the application for licence will be made only after the export proceeds have been realised and surrendered to the Indian Exchange Control. Such applications may be made on a monthly/quarterly basis as opted by the registered exporter so as to reach the Gem and Jewellery Export Promotion Council in the case of gem and jewellery items and the licensing authority concerned in the case of cinematographic films (exposed) within a period of three months succeeding the month/quarter during which the proceeds of foreign exchange were actually credited to the exporter's account. In the case of advance payments received in respect of gem and jewellery items, the limit for submission of applications will be reckoned with reference to the period of export. The application form of gem and jewellery items is given in Appendix 4 (Annexure VII).

(2) The registered exporters of cinematographic films (exposed) will have the option of filing applications on half yearly basis provided no nomination is involved. In such cases the application should reach the concerned licensing authority, within a period of two months following the half yearly period in which the payments were received. The registered exporters of cinematographic films (exposed) desiring to avail themselves of this facility will have to make a final option. Any change in option will be allowed only with the prior approval of the licensing authority concerned.

(3) The application should be accompanied by the following documents :—

(a) Treasury challan for Rs. 50/-.

(b) Copy of Bill of Lading/Airway Bill duly attested by the Shipping Company/Airway Company (Postal receipt in the case of exports by post).

(c) Copy of Shipping Bill duly authenticated by Customs (Except in the case of exports by post or V.P.P.).

(d) Copy of invoice duly attested by the negotiating Bank.

(e) Copy of invoice duly attested by the Customs (in the case of gem and jewellery items).

(f) Bank certificate in original regarding receipt of foreign exchange, as per proforma given in Appendix 4, (Annexure XII).

Sales to foreign tourists of gem and jewellery items

117. (1) A registered exporter (jeweller) who possesses "Authorised Money Changers" licence issued by the Reserve Bank of India and is approved by the Export Promotion authority at the port (Joint Chief Controller of Imports and Exports, C.L.A., New Delhi in case of Delhi, Punjab, Haryana, Rajasthan and Himachal Pradesh; Deputy Chief Controller of Imports and Exports, Kanpur in case of Uttar Pradesh; Deputy Chief Controller of Imports and Exports, Hyderabad, in case of Andhra Pradesh; Deputy Chief Controller of Imports and Exports, Ahmedabad in case of Gujarat; and Controller of Imports and Exports, Srinagar, in case of Jammu and Kashmir) will be eligible to apply for grant of replenishment licence against sale of gem and jewellery items made to foreign tourists, where payments are received in the manner permissible under the authorised money-changer's licence. In the case of personal cheque drawn on banks outside India, a certificate from the authorised dealer in foreign exchange to the effect that proceeds of the cheque have been realised, should be produced. In all other cases, a certificate that the cheques/amounts have been surrendered to the Indian Exchange Control would be sufficient. Foreign currency received in cash will not be recognised for these purposes.

(2) The registered exporter (Jeweller) who had been previously approved prior to the date of the devaluation and who still possesses the "Authorised Money Changers" licence, would be considered as "approved" for the purpose of claiming replenishment in accordance with these provisions.

(3) The registered exporter (Jeweller) desiring to claim benefits under this scheme, who does not possess "money changers" licence, may apply for such a licence to the Reserve Bank of India in the prescribed form through the Gem and Jewellery Export Promotion Council. The E.P. Council, while forwarding the applications to the R.B.I. for grant of "money changes" licence will request the R.B.I. to intimate to the Council about the grant of such a licence. The Council should also request the R.B.I. to intimate to them in the event, the licence so issued, is cancelled for any reason, by the latter. On receipt of such intimation, the Council should, in turn, inform the approving authority concerned.

(4) The minimum annual sales that an approved jeweller will be required to make to foreign tourists against realisation of payment in foreign exchange would be equivalent of Rs. 75,000. At the time of seeking approval, the registered exporter (jeweller) will furnish an undertaking to the approving authority concerned at the ports to the effect that (i) a minimum sale to foreign tourists to the value of Rs. 75,000 would be effected during the next twelve months; and (ii) in the event of cancellation by R.B.I. of the licence issued to him. an intimation will be sent by him forthwith to the approving authority concerned. A copy of the approval certificate issued by the

E.P. authorities at ports to the registered exporter will also be endorsed to the Gem and Jewellery Export Promotion Council, Bombay.

(5) If the minimum level of sales is not reached within the prescribed period of one year or if the authorised "money changers" licence is withdrawn during the period for any reason, the concerned registered exporter (jeweller) would cease to be entitled to the replenishment admissible against sales to foreign tourists.

(6) Ministry of Foreign Trade and/or Chief Controller of Imports and Exports may withdraw the approval given by the E.P. authorities without assigning any reason and recommend cancellation of the licence issued by the Reserve Bank of India.

(7) In respect of the sale of gem and jewellery items to foreign tourists in India, against foreign currency travellers' cheques, following procedure is to be adopted by the registered approved jeweller:—

(a) Registered approved jeweller will be required to maintain printed, serially numbered voucher books, the particulars of which should be notified in advance to the Gem and Jewellery Export Promotion Council. A specimen voucher is at Appendix 4 (Annexure VIII).

(b) Each sale voucher will be in quadruplicate, showing details regarding the name and nationality of the tourist, his/her passport number, description of the gem and jewellery items sold; the sale value in foreign exchange and the rupee equivalent, details of the foreign currency travellers, cheques given by the tourist.

(c) The original sale voucher should be stiched with the tourists passport. The Customs authorities at the time of departure of the tourist will detach the voucher and send it to the Council with an endorsement.

(d) The duplicate copy of the sale voucher will be handed over to the tourist for his own use.

(e) The triplicate copy of the voucher will be send by the jeweller along with the application for replenishment licence at the time of its submission.

(f) The fourth copy will be retained by the jeweller for his record.

(8) The approved jeweller will be required to maintain a register containing the following particulars :—

(i) Serial Number.

(ii) Number of the sale voucher.

(iii) Date of sale.

(iv) Name of the foreign purchaser.

(v) His passport number.

(vi) Description of the item sold.

(vii) Value in rupees.

(viii) Equivalent foreign exchange rendered.

(ix) Name of the Bank in which foreign currency travellers' cheques deposited.

(x) Date of deposit.

(xi) Remarks.

This Register will be open to check by Government.

(9) The registered exporter who is an approved jeweller will be required to submit an application in the prescribed form and manner to the Import and Export Control licensing authority, within whose jurisdiction the registered office of the applicant is situated. The application will be routed through the Gem and Jewellery Export Promotion Council, Bombay.

(10) Such applications with the documents indicated below should be made in respect of sales made during a month/quarter and should reach the Gem and Jewellery Export Promotion Council within a period of three months succeeding the month/quarter during which sales were effected.

Documents

(i) Treasury challan for Rs. 50/-.

(ii) Triplicate copies of sale vouchers giving full description of the items sold, their value in Indian rupees, particulars of foreign tourist, his/her passport number, mode of payment and amount of foreign currency travellers' cheques.

(iii) Bank certificate in original evidensing the receipt of foreign exchange from sales to foreign tourists against travellers' cheques.

(11) The Council, after scrutiny of the application and the documents, will pass on the same to the concerned licensing authority along with their recommendations.

(12) The details of products eligible for replenishment against sales to foreign tourists, the extent of replenishment, the items permissible for import, etc. are given in the statement appearing in Appendix 4 (Annexure XV).

Conditions of import licences issued under the import policy for Registered Exporters

118. (1) **Licences' release orders issued to manufacturer-exporters.**— Import licences for raw materials, components, spares, machinery and other goods, and also the release orders issued to manufacturer-exporters under the import policy for Registered Exporters shall be subject to the 'Actual User' condition for the utilisation of the imported goods, as laid down in chapters IV and VI of this book.

(2) **Licences/release orders issued to nominees of registered exporters.**—Import licences for raw materials, components, spares, machinery and other goods, and also the release orders issued to manufacturers nominated by registered exporters under the import policy for Registered Exporters shall be subject to the 'Actual User' condition for the utilisation of the imported goods, as laid down in chapters IV and VI of this book.

(3) **Licences/release orders issued to merchant exporters.**—Import licences and release orders issued to merchant exporters under the import policy for Registered Exporters shall be subject to the condition that the licensee shall not sell or otherwise dispose of the imported materials but use them in the manufacture of the goods exported provided the manufacture of such goods elsewhere is undertaken on the licensee's account.

(4) **Licences/release orders issued to eligible Export Houses.**—Import licences and release orders issued to eligible merchandising Export Houses under the Import policy for Registered Exporters, and import licences acquired by eligible Export Houses by transfer from registered exporters under the said policy, shall be subject to the condition that the imported materials shall be disposed of to actual users engaged in export production. The Export Houses may also utilise the imported materials for export production on their own account in the manufacturing establishments owned by others.

(5) **Transfer of import replenishment licences.**—Merchant exporters and manufacturer—exporters may be allowed, on request, to transfer import replenishment licences issued to them under the import policy for Registered Exporters, in favour of the State Trading Corporation, or the Minerals and Metals Trading Corporation, or an eligible merchandising Export House. The request for transfer should be supported by a written consent of the proposed transferee. Such transfers will be regulated in terms of sub-clause 5(3)(i) of the Imports (Control) Order, 1955, in accordance with the provisions made in the relevant Import Trade Control Policy (Volume II).

(6) **Licences issued against gem and jewellery exports.**—Import licences against exports of gem and jewellery will be issued in the name of registered exporters under the import policy for Registered Exporters, without the usual 'Actual User' condition imposed on other licences issued under this policy.

(7) **Classification regarding Industrial Unit.**—For the purpose of complying with the 'Actual User' condition in respect of imported materials, the manufacturer-exporters and nominee-exporters shall utilise the imported materials only in the factory at the address shown in the application against which the licence/release order is issued, and for the purpose for which the licence/release order is issued. The imported materials shall not be used in a different industrial unit even if the industrial unit holding the licence release order and the industrial unit in which the goods are used, are owned by the same person or the same set of persons, or have a common IVC registration/exemption number. This definition of an industrial unit will also apply in the matter of claiming imports of items appearing in the Actual User licences in terms of the import policy for Registered Exporters, as clarified in sub-paragraph 115(5)(iii) of this chapter.

Procedure for the grant of 'Advance', 'Imprest' and 'On Account' licences

(i) *Advance Licences*

119. (1) Applications from registered exporters, for the grant of advance licences or C.C.Ps. or release orders for raw materials required for the execution of firm export orders, will be considered on merits.

(2) Requests for the grant of C.C.Ps. for import of rough diamonds, uncut precious stones/semi-precious stones and undrilled pearls, for processing and re-export to the foreign supplier, will also be considered on merits.

(3) Ordinarily, an export order will be regarded as a firm order if it is backed by an irrevocable letter of credit or substantial advance payment.

(4) Requests for the grant of advance licences, for the execution of other types of firm export orders with different modes of payment such as sight draft/D.A. basis may also be considered depending on the merits of each case.

(5) Eligible registered exporters should submit their applications in the prescribed form as in Appendix 4 (Annexure IX) to the licensing authority concerned, within whose jurisdiction the applicant is situated, and forward a copy of the application to the Export Promotion Division in the office of the Chief Controller of Imports and Exports, New Delhi. Applications from registered exporters of gem and jewellery for the grant of C.C.Ps. should be routed through the Gem & Jewellery E. P. Council, Bombay.

(6) In the case of export orders for textile machinery, applications for advance licences should be addressed to the Joint Chief Controller of Imports and Exports, Bombay, and routed through the Textile Commissioner, Bombay, irrespective of the licensing authority in whose jurisdiction the applicant is situated.

(7) Applications should be accompanied by the following documents :—

(a) Treasury challan for Rs. 50/-.

(b) Original with a certified copy of the export order, secured by the applicant.

(c) Photostat copy of the relevant irrevocable letter of credit covering full value of the export order.

(d) Any other documentary evidence relevant to the export order and the type of material to be used in the export product.

(e) Five copies of the list of items applied for.

(8) Where imports of any of the permissible items are sought to be made from rupee payment area, a separate set of 6 copies of the list of items to be imported from such area should be sent with the application for import licence.

(9) The value for which an advance import licence may be issued will be within the maximum value as admissible against the particular export product under the import policy for Registered Exporters. Where an advance licence is issued for a value less than the value admissible against the exports made in execution of the relevant export order, the applicant can claim an import licence for the balance amount under the import policy in force, after the exports against the firm order, in question, have

been made, provided that there is no condition to the contrary on the advance licence issued to the party.

(10) The items to be licensed would be those considered essential for the manufacture of the export product provided such items are permissible in terms of the policy in force.

(11) The licensee shall ordinarily be required to fulfil the export obligation within a period of six months from the date of importation of the first consignment against the advance licence in question. Exports effected prior to the date of importation of the first consignment and after the date of application for advance licence may also be considered towards discharge of export obligations, provided that the export documents clearly indicate that the exports were effected in fulfilment of the specific export order, produced by the applicant at the time of application for advance licence.

(12) Request for allowing a longer period of time either initially or subsequently by way of extension for fulfilment of the export obligation may also be considered on merits.

(13) Before clearance of the first consignment, the applicant will ordinarily be required to execute a bond with Bank guarantee as in proforma at Appendix 33 for an amount equal to 50 per cent of the c.i.f. value of the licence, for fulfilling the export obligation equivalent to the f.o.b. value of the export contract or any such higher f.o.b. value as may be fixed by the licensing authority.

(14) The bond amount will be liable to forfeiture in the event of the non-fulfilment of the export obligation within the prescribed time-limit. This will be without prejudice to the adjustment of excess licensing against the licensee's future A.U., R.E.P. and other licences, de-registration, and any other action that may be taken against the licensee or any other person under the Imports (Control) Order, 1955, as amended.

(15) Ordinarily, a second advance licence will not be issued to an applicant in whose case an earlier advance licence with an export obligation is still outstanding.

(16) As evidence of the fulfilment of the export obligation and for the redemption of bond, the licensee will be required to submit the same documents as are to be produced for claiming replenishment licences against past exports under the import policy for registered exporters.

(ii) *Imprest Licences*

120. (1) Applications for the grant of 'Imprest' licences for import of raw materials, components and parts, and for the issue of 'Imprest' release orders on a canalising agency for supply of materials for meeting the requirements of a phased export programme, may be considered from registered manufacturer-exporters who are not in a position to produce evidence of firm export orders, but have an organised and phased programme of exports.

(2) Applications for 'Imprest' licences/release orders may be made by eligible registered manufacturer-exporters direct to the Chief Controller of

Imports and Exports, New Delhi (Export Promotion Division), in the same from in which an application for an Advance licence is made, as given in in Appendix 4 (Annexure IX). The application should be supported by a treasury challan for Rs. 50/- towards application fees. The applicant should also furnish details in regard to the products normally manufactured and exported by him, and the application should be supported by a statement, certified by a Chartered Accountant, giving details of the exports made by the applicant during the preceding two years of the products for the export production of which the Imprest licence/release order is required. It will not be necessary for an applicant to produce evidence of firm export orders while applying for Imprest licence/release order, but he should give details of the export orders, if any, in hand, and the export prospects for the year.

(3) Along with the application, the applicant should furnish 6 copies of the list of items applied for.

(4) Applications for Imprest licences/release orders will be considered in respect of items permissible under column 4 against the specific export product, or the items licensable to actual users under the import policy in force for the manufacture of the specific export product. Imports of items of a speculative nature, such a stainless steel, ivory and synthetic yarn, will not be allowed against Imprest licences/release orders.

(5) Applications for Imprest licences/release orders will ordinarily be considered for an amount not exceeding Rs. 2 lakhs. Requests for higher value licences/release orders may be considered on merits, having regard to the past exports of the applicant and other relevant factors.

(6) The value of Imprest licence/release order will be adjusted against the import replenishment licences that may be due to the applicant during each export period under the import policy for Registered Exporters. The adjustments will be made in instalments spread over a period of one year from the date of issue of the Imprest licence/release order, in the manner and to the extent laid down in each case, and subject to such other conditions as may be prescribed.

(7) The licensee shall be required to execute a bond undertaking to export the goods of a specified value and description, and within a specified time limit, as may be decided in each case by the licensing authority. The bond shall be supported by a bank guarantee in the proforma given in appendix 33, for an amount equal to 50 per cent of the c.i.f. value of the licence/release order, for fulfilment of the export obligation. Such bond and bank guarantee will be executed before clearance of the first consignment against the licence, in question, or before obtaining supplies of the goods against the release order as the case may be.

(8) The bond amount shall be liable to forfeiture in the event of non-fulfilment of the export obligation as per the conditions laid down. This will be without prejudice to the adjustment of the excess licensing against the licensee's future A.U., REP and other licences, de-registration of the licensee, and any other action that may be taken against the licensee or any other person under the Imports (Control) Order, 1955, as amended.

(9) Applications for a second Imprest licence/release order will not be entertained from an applicant in whose case an earlier Imprest licence/ release order with an export obligation is still outstanding.

(iii) *On Account Licences*

121. (1) Applications for the grant of 'On Account' licences for import of raw materials, components and parts and for the issue of 'On Account' release orders on a canalising agency for supply of imported materials, will be considered from established manufacturer-exporters having an annual export performance of more than Rs. ten lakhs in value (FOB) during the preceding year in respect of certain specified export products, in terms of the import policy for Registered Exporters as laid down in the relevant Import Trade Control Policy (Vol. II).

(2) Applications for 'On Account' licences/release orders may be made by eligible manufacturer-exporters to the licensing authorities concerned, in the prescribed form as given in Appendix 4 (Annexure XVI), accompanied by the following:—

(i) Treasury challan for Rs. 50/- towards application fees.

(ii) A statement indicating the particulars of exports made by the applicant in the preceding year (April-March) in respect of export products in the specified product groups as laid down in the relevant import policy. The statement should contain separately in respect of each export quarter of the preceding year, and for each specified product-group as a whole, the total F.O.B. value of exports made by the applicant for products falling in the product group. It is not necessary for the applicant to give in the statement the details, export—product-wise or shipment-wise. The applicant should include in the statement only those exports against which applications for import replenishment licences have been made by him under the import policy for Registered Exporters and in respect of which the applicant has not received, till the date of the application for 'On Account' licence, any intimation from the licensing authority to the effect that the exports, in question, are not acceptable for any reason. The statement should be certified by a Chartered Accountant.

(iii) A statement showing the C.I.F. value of import licences received by the applicant under the import policy for Registered Exporters, during the preceding year (April-March), whether as a manufacturer-exporter or as a manufacturer nominated by a registered exporter, against exports of products falling in the specified product groups to which the relevant import policy for the grant of 'On Account' licences/release orders is applicable.

(3) Applications for the grant of 'On Account' licences/release orders will be considered in respect of those items of raw materials, components and parts for which the applicant received import licences under the import policy for Registered Exporters during the preceding year (April-March), against exports of products falling in the specified product groups, and which are

permissible under the import policy in force at the time when the 'On Account' licence/release order is issued.

(4) The applicant is not required to produce an export order in support of his application for an 'On Account' licence/release order. The licence/release order will not be subject to an export obligation. It will, however, be a condition of the licence/release order that the value of the 'On Account' licence/release order shall be adjusted against the normal import replenishment due to the applicant against his own exports under the import policy for Registered Exporters. The adjustment will be made in four, six or twelve instalments, depending on the frequency with which the applicant makes his import applications as a manufacturer exporter under the import policy for Registered Exporters. Such licences/release orders will also be subject to other conditions as may be laid down by the licensing authority.

Advance releases/licensing to producers for production of colour feature films in 35 m.m.

122. (1) Requests for advance allocation of colour raw stock imported by the S.T.C. from General Currency Area, and for import licences for other requisites, will be entertained from producers intending to produce colour feature films for exports. Such requests will be dealt with on the following basis :—

(i) **First stage.**—In the first stage, allocations upto the limits indicated below will be made on an undertaking being furnished by the applicant producer to the concerned licensing authority that the allocation/licences will be utilised for production of a colour feature film which he would export and realise therefrom and surrender to the Indian Exchange Control, a minimum amount of Rs. 2 lakhs on f.o.b. basis :—

Release of colour negative	80 Rolls.
Release of colour positive.	200 Rolls.
Import licence for make-up materials.	Rs. 5000/-
Import licences for photograrhic Paper (colour) and chemicals required.	Rs. 15,000/- (licence for Rs. 5,000/- only will be issued during the first stage; licence for the balance amount will be issued after half of the negative of the film has been completed.)

If a producer should desire to have more raw stock in the 'first stage' than indicated above, he will have to undertake an additional export obligation supported by bond and bank guarantee equal to 180 per cent of the c.i.f. value of such additional stock released, over and above the amount of obligation arising from the release in the second stage.

(ii) **Second stage.**—The release of colour positive will be made on the following conditions :—

Further releases of colour positive will be made on the basis of a bond supported by bank guarantee to be furnished by the applicant-producer to the licensing authority concerned, undertaking to export the exposed film and to realise thereform and surrender to the Indian Exchange Control, proceeds on f.o.b. basis, to the extent of Rs. 2.0 lakhs or 180% of the c.i.f. value of the additional raw stock released from General Currency Area, whichever is higher.

If the applicant-producer has taken less raw stock from the General Currency Area licences than he is eligible to do under the 'first stage', he will be given credit for the saving effected by him, at the time of fixing his final export obligation, by reducing the extent of obligation as worked out above for the 'Second Stage' by an amout equal to 180% of the c.i.f. value of raw stock/licences less drawn under the 'first stage'.

(2) The amount of bank guarantee to be furnished will be 25% of the f.o.b. value of the export obligation, and the bank guarantee should be valid up to a period of at least one year after the last date fixed for the fulfilment of export obligation.

(3) The period of fulfilment of export obligation will be two years from the date of the first release of raw stock under the 'second stage'. When the producer does not avail himself of any release under the 'second stage', the period of fulfilment of the original undertaking of Rs. 2.0 lakhs furnished by him for allocations under 'first stage', would be two years from the date of that undertaking.

Advance allocation of raw stock to merchant-exporters

(4) (i) Requests from merchant-exporters for advance release of colour positive imported by the S.T.C. from the G.C.A. for production of "extra prints" for export, will be considered on merits subject to the applicant undertaking to export exposed prints and to realise therefrom and surrender to the Indian Exchange Control, proceeds on f.o.b. basis to the extent of 180 per cent of the c.i.f. value of the releases made.

(ii) In the case of advance releases of colour positive for extra prints, the amount of bank guarantee will be 25% of the value of the export obligation.

(5) For non-fulfilment of the export obligation, the provision of para 119(14) will apply *mutatis mutandis*.

Procedure for Registration of Contracts

123. (1) A scheme has been introduced providing for certain benefits under the import policy for Registered Exporters in respect of exports made in execution of registered contracts. The details of the scheme and the contracts qualifying for registration, are given in the relevant Import Trade Control Policy (Volume II). Exporters claiming benefits of the scheme should have their contracts registered in accordance with the prescribed procedure.

(2) The contracts, in question, will be registered by authorised dealers in foreign exchange (i.e. the banks) through which the relevant export documents are negotiated. The registered exporter should approach the bank concerned within a period of 14 days from the date of the firm export contract. He should produce the original contract with two copies thereof and an abstract of the contract in the proform appearing in Appendix 4 (Annexure XVII). The abstract should indicate the date of the contract and should be duly signed by a constituted attorney of the exporter over the latter's stamp.

(3) The authorised dealer in foreign exchange, i.e. the bank concerned will register the contract in its records and make the following endorsement on the original and both the copies of the contract :—

"This contract has been registered with us and entered in our records under registration No. ..... dated ..... .
The date of the contract has been verified to be..... .

Signature.....

Stamp of the bank"

(4) The bank will return the original export contract to the exporter and forward one copy bearing endorsement of registration, to the licensing authority within whose jurisdiction the exporter is situated. The second copy of the contract will be retained by the bank for its own record.

(5) Only such contracts will be acceptable for registration which are firm contracts (final offer and acceptance) between the overseas buyer and the registered exporter, and clearly indicate all the relevant particulars such as overseas buyer's name and address, description of the products to be exported, total value of the contract, details of delivery schedule, terms of payment and other relevant particulars. For the purpose of determining the date of contract, the date on which all the terms and conditions have been finally settled, will be taken as the crucial date of contract.

(6) If there are any variations/modifications in the delivery schedule of the export product as given originally in the contract, subsequent to its finalisation, the registered exporter should produce necessary documentary evidence along with the original contract to the bank concerned. The bank will thereupon send an intimation to the licensing authority concerned, in continuation of the earlier communication with which a copy of the contract was forwarded.

(7) In the event of the cancellaton of the contract, the registered exporter should, within 15 days, request the bank concerned for cancellation of the registration of the contract. The bank should, in turn, send the necessary intimation to this effect to the licensing authority concerned.

Mis-declaration of value or description of exported goods

124. (1) Where a licensing authority considers that the value of the goods exported is over-invoiced, it shall be open to such authority either to

refuse to issue any licence against such exports or to reduce the value of the licence to such an amount as may be deemed fit. In cases where there is a mis-declaration of the description of the products exported, the licensing authority will refuse to issue an import licence against such exports.

(2) The action of the licensing authority in terms of sub-paragraph (1) above will be without prejudice to any other action that may be taken under the provisions of the Imports and Exports (Control) Act, 1947 or the Orders, issued thereunder, or under any other provisions.

Ad-hoc licences to consultancy firms

125. Applications for the grant of ad-hoc licences in favour of consultancy firms may be made by such firms in the prescribed from as given in Appendix 4 Annexure X) to the Headquarters Licensing Division of the Office of the Chief Controller of Imports, New Delhi.

Machinery items

126. Requests for grant of import licences for machinery items, according to the provision of the import policy for registered exporters contained in Volume II of the relevant Import Trade Control Policy, may be made to the licensing authority concerned in the prescribed from as in Appendix 4 (Annexure XI) duly supported by an essentiality certificate issued by the sponsoring authority concerned certifying the quantity and value of the machinery items applied for.

Additional items

127. The proforma for recommending additional items of import in terms of the import policy for Registered Exporters is given in Appendix 4 (Annexure XIII).

Miscellaneous

128. Provisions regarding the following matters are contained elsewhere in this book :—

(i) Period of validity of the licence.

(ii) Flexibility in the use of licences.

(iii) Issue of letters of authority.

(iv) Issue of replacement licences.

(v) Changes in the name, constitution or ownership of the concern.

(vi) Appeals against the decision of the decisions authority.

CHAPTER VI

IMPORT LICENSING OF CAPITAL GOODS, HEAVY ELECTRICAL PLANT AND MACHINE TOOLS

(A)—CAPITAL GOODS SCHEME

Definition

129. (1) "Capital Goods", as envisaged in this scheme, comprise such items of Plant and Machinery as are required for new installations, or replacements or for the expansion of existing projects or subsidiaries thereof.

(2) Broadly speaking, the C.G. Scheme applies to the following goods classified under Parts II, III, V and VI of the I.T.C. Schedule as detailed below :—

Part II (a) S. No. 36—All goods included in S. Nos. 36(1), 36(2), 36(3), 36(4) and 36(5).

(b) S. No. 37(1)—All Jute and Hemp textile machinery covered by this S. No. comprising principally :—

(i) Grey Winding Frames.

(ii) Colour Winding Frames.

(iii) Ordinary Warping Machines with Creels.

(iv) High Speed Warping Machines with Cone Creels.

(v) High Speed Cone Winders.

(vi) High Speed Bobbin Winders.

(vii) Sizing Machines.

(viii) Drawing in frames, looms, tape looms, sewing thread ball making machines, cumbli finishing machinery.

(c) S. No. 37(2)—Component parts of machinery covered by S. No. 37(1).

Part III(a).—All textiles machinery and plant and component parts thereof (other than cotton textile machinery) of the following description :—

(i) S. No. 4—All goods included in S. Nos. 4(1), 4(2), 4(3), 4(4) and 4(5).

(ii) S. No. 5(1)—Looms, tape looms, wool carding machines, wool spinning machines, silk looms, silk throwing and reeling machines, silk twisting machines.

(b) All cotton textile machinery and plant and hosiery knitting machinery and spares and component parts thereof of the description given in Appendix 20 to this book falling under S. No. 4, 5 and 6 of Part III.

Part V.—All goods included in S. Nos. 65(1), 65(2), 65(3), 65(4) and 65(5).

Part VI.—All items included therein.

Cases requiring industrial licences or registration with D.G.T.D.

130. (1) Applicants for the import of capital goods required for the expansion of industrial undertakings or for the setting up of new industrial establishments for the manufacture of any items mentioned in the First Schedule to the Industries (Development & Regulation) Act, 1951, as amended, should first apply to the Ministry of Industrial Development, Internal Trade and Company Affairs (Department of Industrial Development), New Delhi, for a licence under the Act for the proposed expansion/installation of the undertaking in question. In cases where an industrial licence is necessary, the import licence for capital goods will be issued, if otherwise admissible, only after an industrial licence has been obtained by the applicant. In such cases the application for import of capital goods will not even be entertained before the applicant has obtained a Letter of Intent from the Department of Industrial Development, New Delhi.

(2) In terms of Government Notifications No. IDRA/29 B/70/1 dated 19th February, 1970, and No. IDRA/29B/70/3 dated 28th February, 1970, certain types of industries have been exempted from obtaining an industrial licence under the Industries (Development and Regulation) Act. In terms of the policy announced covering such units in the said Notifications, and also in terms of any further Public Notices that may be issued in this regard applications for import of capital goods may be made to the Chief Controller of Imports and Exports through the DGTD, indicating inter-alia that the total investment and total capital goods' import requirements and also requirements of imported raw materials for the full project after implementation, would be within the limits specified for industrial units exempted from provisions of licensing under the Industries (Development and Regulation) Act. A declaration in regard to the above may also be submitted together with the capital goods' import application, in order to facilitate speedy examination.

Applications for Capital Goods

131. (1) With a view to expediting the disposal of applications for import licences for Capital Goods, a separate division exists in the office of the Chief Controller of Imports and Exports, New Delhi.

(2) Applications for import licences for Capital Goods should be made, in duplicate, in the prescribed application form (Form 'E') given in this book, together with 7 copies of the list of goods proposed to be imported.

(3) The applications for import of machinery coming within the purview of the Capital Goods Scheme, should be addressed to the following licensing authorities :—

(i) Joint Chief Controller of Imports and Exports (Capital Goods) Bombay.—For all cotton textile machinery and hosiery knitting machinery and spares thereof, of the description given in Appendix 20 to this book as also all textile machinery and spares (except for jute and hemp) falling under S. Nos. 4(1), 4(2), 4(3), 4(4), 4(5), and those specified against S. No. 5(1) of Part III under sub-para 129(2) above.

(ii) Joint Chief Controller of Imports and Exports (Capital Goods) Calcutta.—For Jute, Rope and Hemp Machinery and spares falling under S. Nos. 36 and 37 of Part II, and plant and machinery connected with Coal, Mining, Quarries and Tea Industry.

(iii) Chief Controller of Imports and Exports (Capital Goods), New Delhi.—For all other machinery and plant coming within the purview of Capital Goods Scheme. The applications for values in excess of (i) Rs. 5.0 lakhs for import from countries other than rupee payment countries and (ii) Rupees 20.0 lakhs for import from rupee payment countries will be considered in consultation with the Ministry of Industrial Development, Internal Trade and Company Affairs (Department of Industrial Development), New Delhi.

(4) The applications under sub-para (3) above should be made to the licensing authorities concerned in the manner detailed below :—

(a) Applications from scheduled industries borne on the books of the Directorate General of Technical Development, should be sent through the Deputy Director (Co-ordination), Directorate General of Technical Development, Udyog Bhavan, New Delhi.

(b) Applications from small scale units should be made through the sponsoring authority concerned and the Development Commissioner, Small Scale Industries, New Delhi. The applicant should send his application to the sponsoring authority concerned who will forward the same with his recommendation (in Part III of the application) to the Development Commissioner, Small Scale Industries, New Delhi.

(c) Applications from scheduled industries not borne on the books of the Directorate General of Technical Development and non-scheduled industries other than Small Scale should be sent through the sponsoring authority concerned.

(d) Notwithstanding anything contained in sub-paras, (a), (b), and (c) above all applications for import of capital goods required for setting up additional capacity in respect of certain industries categorised as 'Key' industries (mentioned in Appendix 21 to this book) should be sent through the Co-ordination and Licensing Progress Section (CLP Section) in the Department of Industrial Development, New Delhi, with ten spare copies.

(5) Applications from units borne on the books of the Directorate General of Technical Development for import of machinery valued up to Rs. 16,000 should be made to the Chief Controller of Imports and Exports New Delhi, through the D.G.T.D. in form 'C' in duplicate. Applications from other industries (excluding textile, jute, hemp and rope, coal, quarries and tea industries) including small scale for import of machinery valued up to Rs. 8,000 should be made to the regional licensing authority concerned through the sponsoring authority concerned in form 'B' in duplicate. Applications for import of machinery not covered by these value limits should be made in form 'E', in duplicate, to the licensing authorities mentioned in sub-para (3) above and in the manner indicated in sub-para (4) above.

The applications for machinery should be accompanied by seven copies of the list of items sought to be imported.

(6) The applications should be accompanied by (i) I.V.C. Registration/Exemption Number; (ii) Treasury Receipt towards the payment of requisite application fee on the value applied for; (iii) In the case of applications from small scale units for import of Capital Equipment for replacement purposes, a certificate from the Small Industries Service Institute to the effect that the replacement of machinery is inescapable, should also be furnished; and (iv) any other document/information considered necessary or required in terms of the policy in force.

Procedure for processing of applications for capital goods D.G.T.D. Units

132. (1) In respect of applications for import of capital goods from units borne on the books of the D.G.T.D., the following procedure will be followed :—

(i) The applicant should submit his application to the C.C.I. & E. through the D.G.T.D., in duplicate, in the prescribed form (Form 'E') along with seven copies of the list of items sought to be imported, as stated in paragraph 131 above. On receipt of the application, the D.G.T.D. will send an acknowledgement-*cum*-deficiency letter to the applicant acknowledging the application and pointing out any deficiencies in it. The applicant will be given a specified time limit to make up the deficiencies or to furnish further information or clarification as may be necessary. If the applicant does not furnish the required information or clarification etc., within the specified time limit, the application will be liable to be recommended for rejection.

(ii) Complete applications and applications which have been completed by the applicants by furnishing the required information/clarification, will be scrutinised by the D.G.T.D. from the point of view of essentiality for imports. If the D.G.T.D. does not consider the import essential, he will forward the application to the Chief Controller of Imports and Exports recommending rejection.

(iii) If the D.G.T.D. considers the import essential, he will scrutinise the items applied for from the indigenous angle. In case all the items sought to be imported are available from indigenous sources, the D.G.T.D. will again forward the application to the Chief Controller of Imports and Exports recommending rejection, indicating the names of the indigenous manufacturers in respect of items not already covered by the Hand Book of Indigenous Manufacturers.

(iv) Where the D.G.T.D. considers the import essential and the items applied for are not available from indigenous sources, the application will be forwarded to the Chief Controller of Imports and Exports with a recommendation in Part III of the application for the issue of a licence in respect of items considered essential and not available indigenously. While forwarding the application to the C.C.I.&E. with a recommendation the

D.G.T.D. will also send therewith five copies of the list of goods recommended for import inculding one copy duly attested by him.

(v) While forwarding the application to the Chief Controller of Imports and Exports, the D.G.T.D. will also suitably inform the applicant and communicate the gist of the recommendation to him.

(vi) The applications will be considered further based on the recommendations of the D.G.T.D. in terms of the import policy in force and subject to the availability of monetary ceiling.

(vii) The provision regarding "advertisements" contained in paragraph 137 of this book will apply in respect of applications for machinery exceeding Rs. 7.5 lakhs in value.

(2) The applications for import of machinery and machine tools from the units borne on the books of the DGTD valued upto Rs. 16,000/- in each case, will be recommended by the DGTD against the monetary ceiling earmarked or allocated to the DGTD for the import of raw materials, components and spares. Such applications will also be dealt with at the headquarters office of the CCI&E, and should be made in Form 'C' prescribed for raw materials, components and spares.

Small Scale Units

(3) **Small scale units for value exceeding Rs. 8,000.**—In respect of import applications for capital goods from small scale units for value exceeding Rs. 8,000, the following procedure will be followed :—

(i) The applicant should send his application in duplicate in the prescribed form (Form 'E') with seven copies of the list of items sought to be imported as stated in para. 131 above. The application should be addressed to the Chief Controller of Imports and Exports, New Delhi, and sent through the sponsoring authority concerned.

(ii) On receipt of the application, the sponsoring authority will send an acknowledgement-*cum*-deficiency letter to the applicant acknowledging the application and pointing out any deficiencies in it. The applicant will be given a specified time limit to make up the deficiencies or to furnish further information or clarification as may be necessary. If the applicant fails to furnish the required information or clarification etc., within the specified time, the application will be liable to be recommended for rejection.

(iii) Complete applications and applications in which the required information or clarification has been furnished by the applicant will be scrutinised by the sponsoring authority from the point of view of essentiality for import. If the sponsoring authority does not consider the import essential, he will forward the application to the Chief Controller of Imports and Exports recommending rejection. While forwarding the application to the Chief Controller Imports and Exports the sponsoring authority will also suitably inform the applicant and communicate to him a gist of the recommendation.

(iv) If the sponsoring authority considers the import essential he will forward the application with his recommendation in Part III of the application to the Development Commissioner, Small Scale Industries, New Delhi.

(v) The Development Commissioner, Small Scale Industries, New Delhi, will examine the application both for essentiality and from the indigenous angle.

(vi) If the D.C.S.S.I., New Delhi, does not consider the import essential, he will forward the application to the Chief Controller of Imports and Exports recommending rejection without looking into the indigenous angle. If on the other hand, D.C.(S.S.I.) considers the import essential, he will scrutinise the items from the indigenous angle on the basis of the package clearance obtained by him from the D.G.T.D. In case he finds that all the items sought to be imported are available from indigenous sources he will again forward the application to the Chief Controller of Imports and Exports recommending rejection and indicating the names of indigenous manufacturers of items not covered by the Hand Book of Indigenous Manufacturers.

(vii) In the case of items not available indigenously and whose import is considered essential, the D.C.(S.S.I.) will forward the application to the Chief Controller of Imports and Exports with his recommendation for a licence. While sending the application along with the recommendation to the Chief Controller of Imports and Exports, the D.C.S.S.I. will also send therewith five copies of the list of items recommended for import including one copy duly attested by him.

(viii) While forwarding the application to the Chief Controller of Imports and Exports the D.C.S.S.I. will also suitably inform the applicant and communicate to him a gist of the recommendation.

(ix) The applications will be considered further by the Chief Controller of Imports and Exports on the basis of the recommendation of the D.C.S.S.I., New Delhi and sponsoring authority and in terms of the import policy in force subject to availability of monetary ceiling.

(x) Notwithstanding anything stated in sub-paras. (i) to (ix) above in the case of an application not exceeding Rs. 16,000/- in value, in which the sponsoring authority considers the import essential, it will be open to such authority to recommend a licence within the raw material ceiling allocated to him. In such cases the application should be forwarded by the sponsoring authority with his recommenation to the regional licensing authority concerned, with suitable intimation to the applicant giving him a gist of the recommendation. The regional licensing authority concerned will consider such applications in the same manner as other applications from small scale units for import of machinery valued upto Rs. 8,000/-. (This sub-para will be operative only when the ceiling for raw materials and components is allocated to the sponsoring authorities).

Note.—Applications from units manufacturing textile machinery (including jute textile machinery) should be forwarded by the sponsoring authorities concerned to the Chief Controller of Imports and Exports, New Delhi direct and not through the D.C.(S.S.I.), New Delhi.

(4) **Small Scale units for value upto Rs. 8,000.**—In respect of applications from small scale units for import of machinery and machine tools valued up to Rs. 8,000/- the following procedure will be followed :—

(i) The applicant should submit his application to the regional licensing authority concerned through the sponsoring authority concerned in the prescribed form (Form 'B') in duplicate as stated in para 131 above. On receipt of the application, the sponsoring authority will send an acknowledgement-*cum*-deficiency letter to the applicant, acknowledging the application and pointing out any deficiencies therein. The applicant will be given a specified time limit to make up the deficiencies or to furnish information or clarification as may be necessary. If the applicant fails to furnish the required information/clarification etc., within the specified time limit, the application will be liable to be recommended for rejection.

(ii) Complete applications or applications in which the required information/clarification has been furnished by the applicant will be forwarded by the sponsoring authority to the regional licensing authority concerned with his recommendations. While forwarding the application to the licensing authority concerned, the sponsoring authority will also suitably inform the applicant and give him a gist of the recommendation.

(iii) The value of import licenses issued in such cases will be debitable to the raw material ceiling allocated to the sponsoring authority concerned. If no ceiling for raw material is allocated sponsoring authority-wise, the value of import licenses issued against such applications recommended by the sponsoring authorities, will be debitable to the monetary ceiling earmarked for import of raw materials by S.S.I. units.

(iv) If the machinery or machine tools sought to be imported is not licenstiable to actual users in terms of the import policy in force, the sponsoring authority should refer the application to the D.C.(S.S.I.) New Delhi for indigenous clearance before making a recommendation for the licence. The D.C.(S.S.I.) will give indigenous clearance on the basis of the pacakage clearance obtained by him from the D.G.T.D. in advance. If, in any particular case, the machinery applied for does not appear in the list of package clerance maintained by the D.C.(S.S.I.), the application will be placed before the S.S.I. Committee in the office of the D.C.(S.S.I.) for indegenous clearance. The Director of Industries will process the application further and make a suitable recommendation to the licensing authority on receipt of the advice of the D.C. (S.S.I.). It may be clarified that in the case of units manufacturing textile machinery (including jute textile machinery), the indigenous clearance will be certified by the sponsoring authorities concerned without reference to the D.C.(S.S.I.), New Delhi.

(v) The licensing authority will consider the application further on the basis of the recommendation of the sponsoring authority and in terms of the import policy in force.

Other Industries

(5) In respect of applications for import of capital goods from industrial units other than (a) D.G.T.D. borne units, (b) small scale units, (c) textile, jute, hemp, and rope, coal mining, quarries and tea industries, the following procedure will be followed :—

(i) The applicant should submit his application in duplicate in the prescribed form (Form 'E') with seven copies of the list of items sought to be imported as stated in para 131 above. The application should be submitted to the Chief Controller of Imports and Exports, New Delhi through the sponsoring authority concerned.

(ii) On receipt of the application, the sponsoring authority will issue an acknowledgement-*cum*-deficiency letter to the applicant acknowledging the application and pointing out deficiencies therein. The applicant will be given a specified time limit to make up the deficiencies or to furnish any information or clarification that may be necessary. If the applicant fails to furnish the required information/clarification etc., within the specified time limit, the application will be liable to be recommended for rejection.

(iii) Complete applications and applications in which the required information/clarification etc., has been furnished by the applicant will be scrutinised by the sponsoring authority from the point of view of essentiality for import. If the sponsoring authority does not consider the import essential, he will forward the application to the Chief Controller of Imports and Exports recommending rejection. The applicant will also be suitably informed and a gist of the recommendation communicated to him.

(iv) If the sponsoring authority considers the import essential, he will forward the application to the D.G.T.D. with its recommendation in Part III of the application. The D.G.T.D. will examine it from indigenous angle and send it with his recommendation to the Chief Controller of Imports and Exports, New Delhi. While sending the application to the Chief Controller of Imports and Exports, the D.G.T.D. will also send therewith five copies of the list of items recommended for import including one copy duly attested by him. A copy of the recommendation with a list of items recommended will also be sent by the D.G.T.D. to the sponsoring authority. The sponsoring authority will then suitably inform the applicant giving him a gist of the recommendation.

(v) The Chief Controller of Imports and Exports will consider the application further on the basis of the recommendation of the sponsoring authority and the comments of the D.G.T.D., and in terms of the import policy in force subject to the availability of monetary ceiling.

(6) Applications for the imports of machinery and machine tools from other industries' referred to in sub-paragraph (5) above valued up to Rs. 8,000 will be considered by the regional licensing authorities concerned on the recommendations of the sponsoring authorities. The applications should be made in Form 'B' prescribed for raw materials, components and spares. Such applications will be recommended by the sponsoring authorities against the monetary ceiling earmarked or allocated for the import of raw materials, components and spares. The sponsoring authorities will forward their recommendations in such cases to the regional licensing authorities direct and not through the D.G.T.D. However, if the machinery or machine tools sought to be imported is not licensable to actual users in terms of the import policy in force, the sponsoring authorites should obtain indigenous clearance from the D.G.T.D. before forwarding an application to the licensing authority with its recommendation.

(7) **Textile, jute, hemp and rope, coal, quarries and tea industries.**— Import applications for textile, jute, hemp and rope, quarries, coal and tea machinery should be made to the concerned licensing authority as given in para. 131 through the sponsoring authorities concerned. The applications will be forwarded by the sponsoring authorities to the licensing authorities with their recommendations. The Sponsoring authorities will obtain package indigenous clearance from the D.G.T.D. in order to eliminate references to the D.G.T.D. on individual applications for obtaining indigenous clearance. The licensing authorities will consider the applications further on the basis of the recommendations of the sponsoring authorities and in terms of the import policy in force subject to availability of monetary ceiling.

Import of Mining Equipment

(8) (a) Applications for the import of mining equipment (other than coal mining equipment) from mining industry will be considered by the Chief Controller of Imports and Exports, New Delhi on the recommendations of the Ministry of Petroleum and Chemicals and Mines and Metals (Department of Mines and Metals), New Delhi. The applicants should submit their applications to the Ministry of Petroleum and Chemicals, and Mines and Metals (Department of Mines and Metals), New Delhi, along with an essentialty certificate (in original) obtained from any one of the following :—

(i) Chartered Engineer.

(ii) Indian Bureau of Mines.

(iii) State Mining Department.

(b) The applications should also indicate—(i) the country from which the equipment is sought to be imported and (ii) the production and export of the mineral ores from their mines during the preceding three years.

(c) The Department of Mines and Metals will obtain indigenous clearance from the D.G.T.D. and thereafter, send the applications to the Chief Controller of Imports and Exports, New Delhi indicating the items to be allowed for import and their value.

Applications for amendment of C. G. licences

(9) Applications for minor amendments should be sent by the licensee direct to the licensing authority concerned. Where an amendment in value

or description of goods is sought to be made, the application should be made through the D.G.T.D. in the case of units borne on his list, through the Development Commissioner, Small Scale Industries, New Delhi, for small scale units and through the sponsoring authorities concerned in the case of other units.

Import of instruments etc.

133. **Import of instruments, testing machines and testing equipments, weighing machines, laboratory equipment, tools and tackles.**—Applications from actual users for the import of instruments, testing machines, weighing machines, laboratory equipment, tools and tackles, etc., will be considered by the licensing authorities on the recommendations of the sponsoring authorities in the same manner as those for the import of capital goods. The policy and procedure indicated in this chapter for submission and processing of applications for import of capital goods will apply to the import of these items also. Accordingly the jurisdiction of the licensing authorities for dealing with such applications will be as under :—

(i) Applications valued upto Rs. 16,000 in the case of D.G.T.D. units and Rs. 8,000 in the case of other units will be considered by the licensing authorities concerned. Such applications will be recommended by the sponsoring authorities concerned against the monetary ceiling ear-marked or allocated for import of raw materials, components and spares. The applications should be made on the application form prescribed for raw materials, components and spares.

(ii) Applications in excess of the value limits indicated in (i) above, will be considered by the Chief Controller Imports and Exports, New Delhi, or the Joint Chief Controller of Imports and Exports, Bombay, or Joint Chief Controller of Imports and Exports, Calcutta, as the case may be, on the recommendations of the sponsoring authorities concerned, against the monetary ceiling ear-marked or allocated for import of capital goods. The applications should be made in the prescribed form 'E'.

134. **Intimation to licensing authority regarding utilisation of licences for import of capital goods/heavy electrical plant.**—(1) Import licences for capital goods/heavy electrical plant will be issued subject to the following condition in addition to any other condition(s) as may be imposed on or applicable to such licences :—

> "It is also a condition of this licence that a half yearly return in the attached proforma shall be furnished by the licensee to the Director of Statistics, Office of the Chief Controller of Imports and Exports, New Delhi, indicating the actual imports and remittance made against the licence as on 28th February and 31st August each year. The return for each half year shall be furnished within a period of 15 days from the close of the half year as indicated.".

The proforma in which the licensees will be required to furnish the half yearly returns is given in Appendix 22 to this book.

(2) The import licences for capital goods/heavy electrical plant will also be subject to the following conditions *inter alia* :—

(i) The goods imported under this licence will be utilised in the licence holder's factory and no portion thereof will be sold to or be permitted to be utilised by any other party or pledged with any financier other than banks authorised to deal in the foreign exchange and State Finance Corporation, provided that the particulars of the goods to be pledged are reported by the licensee in advance to the licensing authority.

(ii) The goods covered by this licence shall be used only for the manufacture of..... (Name of end-product(s) and for the capacity licensed under the Industries (Dev. & Reg.) Act 1951 or approved by Government.

(iii) The import of spare parts against this licence shall be governed by the provisions of paragraph 152 of the Import Trade Control Hand Book of Rules & Procedure in force at the time of shipment of the goods."

135. **Submission of full particulars and description of capital goods.**— (1) Applicants are requested to give full particulars and description of the plant required. Import of such items of machinery and plant as are manufactured within the country will not be allowed. Importers of capital goods are requested to make it clear to their foreign suppliers at the outset that they (foreign suppliers) will be required to give a guarantee in regard to the performance of the equipment in question notwithstanding the fact that a part of the plant (which will, of course, be of proved efficiency) may have to be purchased, from indigenous sources.

(2) While recommending the application for import of capital goods, the sponsoring authority should also give full justification for certifying essentiality for import. The recommendation of the sponsoring authority should be recorded in Part III of the application.

Important hints to applicants of capital goods

136. (1) It is of utmost importance that :—

(a) Applicants for import licences for capital goods should clearly specify the country or countries from which imports are to be made. It is not enough to indicate a currency area in vague terms.

(b) Applicants should indicate alternative sources of supply so that, in the event of they being given an import licence against credits available to the Government they would be in a position to find any of the alternatives indicated.

(c) Applicants should clearly indicate whether in the event of they being given an import licence against credits available to the Government they would be in a position to find the rupee resources to take advantage of the licence.

(d) Applicants should send their application for licences through the sponsoring authorities concerned and advance copies of the application should not be sent to the licensing authorities. The licensing authorities with not take any action on the advance copies received by them.

(e) No column of the application should be left blank.

(2) Applicants who would like to approach financing institutions referred to in para. 143(b) below for foreign exchange loans for importing machinery and capital equipment should mention this specifically against column 6(vii) of the application for import of capital goods (Form 'E'). In such cases, a special procedure will be followed for processing the import application. In such cases, a quick scrutiny will be made by the D.G.T.D. with a view to ensuring that the imports asked for are broadly in conformity with the manufacturing scheme and do not include items which are ordinarily not allowed to be imported. On the basis of such scrutiny, the application will be further processed, and if approved in principle, the applicant will be informed that he may negotiate with the financial institution(s) for foreign exchange loan up to a specified amount. The final list of goods will, however, have to be scrutinized in the usual manner by the D.G.T.D. after the firm has applied to the institution(s) in the prescribed form and manner; and the loan amount as well as the import licence will be based on the value of imports agreed to by D.G.T.D.

Advertisement to be made by applicants

(Notice to indigenous manufacturers)

137. (1) As a further step towards import substitution, it has been decided that applicants whose requirement in respect of capital goods or machine tools exceeds Rs. 7.5 lakhs in value, should advertise their requirements in the manner stated below, so that the indigenous manufacturers have an opportunity of offering to supply the goods in question.

(2) The advertisement should indicate, *inter-alia*, full specifications, make, model and other detailed particulars of the machinery or equipment or machine tools etc., sought to be imported, the desired period of delivery and other relevant information. It should be specifically indicated in the advertisement whether the drawings in respect of the required machinery or equipment, etc., would be provided.

(3) The advertisement should be got published in the Indian Trade Journal issued by the Directorate General of Commercial Intelligence and Statistics, 1, Council House Street, Calcutta-1. The advertisements, in question, appearing in the Indian Trade Journal, will be serially numbered. If the applicant so desires, he can also have it published in any other newspaper or journal in addition to the Indian Trade Journal.

(4) The indigenous manufacturers should be given a time limit of 45 days to respond to the advertisement.

(5) The indigenous manufacturers who are in a position to meet the requirements in response to the advertisement, should send their reply to the applicant within 45 days of the advertisement, with a copy thereof, under registered cover, to the Directorate General of Technical Development, New Delhi (Co-ordination Section). At the top of the reply, the Serial Number of the advertisement as appearing in the Indian Trade Journal, should be quoted to facilitate proper referencing. In their reply, the indigenous manufacturers should mention the specifications and particulars of the goods which they are in a position to supply, the period of delivery,

prices and other relevant terms. If the indigenous manufacturers are not in a position to supply any item in the required specifications, but they can supply suitable substitutes thereof, the full specifications of such substitutes should be given in the reply along with other relevant particulars.

(6) Industrial undertakings whether in the public or private sector which have imported machinery lying surplus with them, and are, therefore, in a position to meet the requirements in response to the advertisement, should also inform the applicant within 45 days of the advertisement, with a copy thereof, under registered cover, to the Directorate-General of Technical Development, New Delhi (Co-ordination Section) in the same manner as indicated in sub-paragraph 5 above. In their reply, full particulars of the machinery, its c.i.f. price and sale price demanded, age of the machinery and other relevant terms should be mentioned. It should also be mentioned whether the machinery, in question, is lying un-used or has been used, and if so, for how long; the present condition of the machinery should be clearly described. If the machinery in question had been imported against a licence, the particulars of the licence should be indicated.

(7) The failure to respond to the advertisement on the part of those who are in a position to meet the demand, will lead to under-utilisation of existing capacity and to avoidable imports. Indigenous manufacturers, both in the public and private sectors, are advised in their own interest to respond in the prescribed manner to the advertisements in respect of goods which they are in a position to supply.

(8) After 45 days of the advertisement, the intending importer may apply for an import licence for the machinery or equipment or machine tools, in question, to the Chief Controller of Imports and Exports, New Delhi, through the Directorate General of Technical Development, New Delhi. If the import application is not made within three months after the expiry of 45 days from the date of advertisement, the advertisement already made will be of no effect, and the applicant will have to advertise again in the manner indicated in this paragraph, in case he seeks to import the goods in question.

(9) In the import application, the applicant should state the date of advertisement, and attach thereto a tabular statement of responses received to the advertisement , and also indicate in clear terms the responses which are acceptable to the applicant. The import application should be made only in respect of goods for which no response has been received from the indigenous manufacturers or the response received is not suitable to the applicant for the reasons to be indicated in the tabular statement referred to above. The applicant should also send with his import application two copies of the advertisement.

(10) Applications for import of capital goods or machine tools in respect of which the advertisement procedure contained in this paragraph is not followed, will be liable to be rejected.

(11) In the case of applications for import of textile, jute, hemp and rope, quarries, coal, mining (other than coal) and tea machineries, the indigenous manufacturers should send their reply to the advertisement to the sponsoring authority concerned (in place of the D.G.T.D.), and import application should also be made by the applicant to the regional licensing authority as given in para. 131 above through the sponsoring authority concerned.

Import of second-hand machinery

138. Applications for import of second-hand or reconditioned machinery should always be accompanied by a certificate by a firm of consulting engineers in the country of origin, indicating the age of the machinery, its present condition and expected life. If possible, a photograph of the machinery proposed to be imported should be furnished.

139. **Clearance in principle for the entire requirement of foreign exchange to be obtained at the time of initial application.**—It is important that importers secure clearance in principle for the entire requirements of foreign exchange for setting up a new plant or completing a substantial expansion, at the time of initial application. Failure to comply with this requirement will hinder the provision of the necessary foreign exchange and may result in rejection of applications. After a clearance in principle has been secured, there is no objection to import applications being submitted in instalments as and when licences are required.

140. **Import of textile machinery other than for jute and hemp.**—Importers of textile machinery, other than jute and hemp may note that :—

(i) Applications for productive machinery as indicated in Appendix 20 will not be entertained from applicants who are not consumers or promoters having approved programme.

(ii) Applications for 'non-productive machinery' will not be entertained from applicants other than the actual users.

(iii) Applications for hosiery and knitting machines will be considered from Actual Users in terms of the policy laid down in the relevant Import Trade Control Policy Book.

141. **Exceptions.**—An exception to the above broad principles of licensing of Capital Goods is, however, made in the case of :—

(a) Complete Ring Frames;

(b) Spare parts of Ring Frames, including spinning spindles, fluted roller and tin rollers;

(c) Power looms;

(d) Carding Engines;

(e) Certain accessories and millstores required by cotton textile industry.

The licensing policy in respect of these items is announced in the Import Trade Control Policy Book; or by separate Public Notices, issued from time to time.

142. **Machinery for stock and sale not licensed under Capital Goods Scheme.**—The C. G. Scheme is applicable to the import of machinery and plant required for industrial manufacturing or processing units. Applications for the import of machinery for stock and sale will not be licensed under the Capital Goods Scheme. Similarly, import of construction machinery will also not be covered by this scheme.

143. As a general rule, applications for import licences for substantial values of plant and machinery which are required for the setting up of new

projects or for substantial expansion will be considered only against one or more of the following acceptable means of financing :—

(a) Long term foreign investment in the capital of the project;

(b) Foreign exchange loans for the project from the Industrial Credit and Investment Corporation of India, Bombay and the Industrial Finance Corporation, New Delhi;

(c) Long term foreign exchange loans from financing institutions abroad, such as the U.S. Economic Development Loan Fund, the U.S. Export-Import Bank, the Commonwealth Development Finance Corporation, London, and the International Finance Corporation, Washington.

(d) Imports financed by the National Small Industries Corporation of India, New Delhi, under their hire-purchase scheme for small scale industries;

(e) Loans to the Government of India from foreign governments or financial institutions against which cash licences can be granted; and

(f) Trade and Payments agreements between the Government of India and foreign countries, against which cash licences can be granted.

144. Applications for import licences will be considered having due regard to the priority of the schemes and the method of financing proposed. As a rule, the source of financing the imports will be limited to the alternatives indicated in paragraph 143 above. If the scheme is not considered to be of sufficient priority and/or if funds available with the Government cannot be allocated, import applications in respect of such schemes will be rejected.

Import of Capital Goods by export-oriented units

145. (1) Applications for the import of capital goods, equipment, dies, jigs and tools required by exporting units will be given high priority from out of a special allocation of foreign exchange to be made for this purpose. The import of capital goods requirements to be met from this allocation will be for the expansion, modernisation, diversification of production facilities as well as for research and development, with a view to accelerating the exports. The import of such machinery, etc., required by exporting units to manufacture quality products so as to bring up their product designs and packing standards to international levels will also be considered. These special facilities are intended to assist manufacturers with a good export performance, so that they may be enabled to further intensify their export drive.

(2) Exporter-manufacturers intending to take advantage of these special facilities for export production should address their applications for licences to the Deputy Secretary (TAEP), Ministry of Foreign Trade, Government of India, Udyog Bhavan, New Delhi, in the prescribed form 'E', along with the requisite application fee and other documents required for the import of capital goods. In such cases, details of export performance and other relevant information should be given by the applicant in the prescribed proforma which has been added for this purpose as Part II of the application form 'E'.

(3) Applicants should carefully check that the application is complete in all respects and is supported by a certificate of the export promotion council concerned, regarding export performance of the applicant both in terms of f.o.b. value and quantity of the exported product as well as the production figures. The applicant should also follow the advertisement procedure as laid down in paragraph 137 above, in cases where the value of capital goods applied for is Rs. 7.5 lakhs and above.

(4) The Ministry of Foreign Trade, New Delhi, will process the import applications and forward them to the Chief Controller of Imports and Exports, New Delhi, with their recommendations. The Chief Controller of Imports and Exports will deal with the applications on the basis of such recommendations.

(5) **Export conditions on C.G. Licences.**—(a) Applications for import of capital goods may also be considered subject to export conditions as may be decided in each case, requiring the licensee to export goods of a specified description and value/quantity within a specified time limit, and subject to such other conditions as may be prescribed.

(b) A licence issued for import of capital goods with an export obligation will be subject to the condition, *inter-alia*, that the licensee shall execute a bond/legally acceptable undertaking in regard to the fulfilment of prescribed export performance. The bond/legal undertaking should be supported by a bank guarantee for an amount equal in value to the annual obligation of exports. In lieu of a bank guarantee, the licensing authority may also accept the legal undertaking executed by the licensee, to the effect that in the event of his inability or failure to export directly, the goods in accordance with the prescribed export obligation, he shall hand over to the State Trading Corporation or such other agency as the Government (including the CCI&E, New Delhi) may nominate, twice the difference between the stipulated annual commitment/obligation and actual exports, and in addition pay to the nominated agency a specified amount by way of liquidated damages. The form in which the licensees will be required to give the legal undertaking appears in Appendix 35.

(c) A special cell known as "Export Obligation Cell' has been set up in the office of the Chief Controller of Imports and Exports, New Delhi, to co-ordinate follow-up action in cases where capital goods import licences, Industrial licences or approvals to foreign collaborations are issued subject to export conditions. The manufacturing units concerned will be required to furnish periodical returns to the Chief Controller of Imports and Exports, Udyog Bhavan, New Delhi (Export Obligation Cell) indicating their export performance in the form and manner as may be prescribed by the Chief Controller of Imports and Exports. Such returns shall be in addition to the returns which the unit will be required to furnish to the regional licensing authorities in pursuance of the bond/legal undertaking, and to the administrative Ministries concerned.

(d) The performance of manufacturing units which are granted capital goods import licences, or Industrial licences under the Industries (Development & Regulation) Act, 1951, or approvals to foreign collaboration arrangements, subject to export conditions, will be reviewed every quarter by an Inter-Ministerial Committee under the chairmanship of the Chief Controller of Imports & Exports, New Delhi, and have a representative of the concerned Ministries and departments and the S.T.C. as members.

(6) The exports made by manufacturers in fulfilment of the export obligation from 1st April, 1970 will be eligible for the grant of import replenishment licences in accordance with the import policy for Registered Exporters, subject to such conditions or restrictions as may be stipulated in this regard.

Negotiations for loans

146. **Negotiations of loans by importers with foreign financing institutions require prior approval in principle of Government.**—Direct negotiations of loans by importers with foreign financing institutions require the prior approval in principle of Government. Such requests should be addressed to the administrative Ministry concerned or to the Chief Controller of Imports and Exports (Capital Goods Division), New Delhi, indicating the value of the equipment, the purpose for which it will be imported, the proposed country or countries of import, the value of imported raw materials/components that will be required annually after going into production, and the particulars of the manufacturing licence, if any, under the Industries (Development and Regulation) Act that may be held for the project.

147. Authorisation to negotiate direct with the U.S. AID authorities and the U.S. Export-Import Bank will ordinarily be granted only where import of equipment involved is for the minimum value of Rs. 2.25 crores for US (AID) Loan and Rs. 15 crores for Export-Import Bank Loan. Direct negotiations for foreign exchange loans from certain other financial institutions abroad such as the Commonwealth Development Finance Corporation, London and International Finance Corporation, Washington, may be permitted for smaller amounts also.

Imports against free resources

148. **Imports against free resources on cash or deferred payment basis.**—When the outlay on imported plant and equipment is relatively small, and is likely to be covered by savings or earnings of foreign exchange (having due regard to the existing level of imports/exports) as a result of the implementation of the scheme within a period of three years, it may be possible to consider applications, to a limited extent, for licensing against free resources on cash basis, or on deferred payment basis. In general, Government do not propose to encourage import on short or medium term suppliers' credit, and deferred payment arrangements will only be considered in exceptional cases when the Government are satisfied that the savings of foreign exchange resulting from the output of the plant and machinery proposed to be imported will be more than sufficient to meet the payment liability. Similarly, such arrangements may be approved if there is a satisfactory guarantee for the exports of goods for the production of which the plant is to be imported.

149. **Special form for issue of licences for Capital Goods.**—Licences issued for Capital Goods will bear the distinct mark "CG" and will be issued in special Form, to distinguish them from other import licences.

150. **Importers to study carefully the conditions attached to import licences particularly when issued against loan programmes.**—Importers are advised to study carefully the conditions attached to or applicable to import licences particularly when these are issued against loan programmes.

Non-compliance with the conditions endorsed on licences will render the licence invalid.

151. Importers of machinery items are advised to satisfy themselves that the machinery sought to be imported satisfies the conditions laid down in the Factories Act and Rules framed thereunder, or similar rules in force in the country of origin of the machinery.

Imports of Spares

152. (i) If a licence has been issued for import of capital goods (machinery and equipment) and the words 'spare parts' have not been mentioned in the description of goods given in the licence, nor a list of spares has been attached to the licence, it will be open to the licence holder to import spare parts to the extent of 10 per cent of the value of the licence, within the overall value of the licence, subject to the condition that restricted spare parts listed in Appendix 3 to the Import Trade Control Policy (Red Book, Vol. I) in force at the time of import, shall not exceed 5 per cent of the value of the licence, or Rs. 20,000/-, whichever is less, and the value of any single spare part appearing in the said Appendix 3 does not exceed Rs. 2,000/-. The licensee shall import only those spare parts as are required for maintenance of the machinery covered by the licence in question .

(ii) if a licence has been issued for the import of capital goods (machinery and equipment) and in the description of goods given in the licence, the words 'spare parts' have also been mentioned, but no list of spare parts has been attached to the licence, it will be open to the licence holder to import spare parts against the said licence in the same manner and to the same extent as indicated in sub-para (i) above;

(iii) if a licence has been issued for the import of capital goods (machinery and equipment) and spare parts, and a list of spare parts has been attached to the licence, but the value of spare parts has not been indicated in the list, it will be open to the licence holder to import spare parts appearing in the list, but the value of the spare parts so imported shall not exceed 10 per cent of the value of the licence, within the overall value of the licence; and

(iv) if a licence has been issued for the import of capital goods (machinery and equipment) and spare parts, a list of spare parts is attached to the licence, and the list of spares also indicates the value allowed, it will be open to the licence holder to import the spare parts appearing in the list and for the value so indicated, within the overall value of the licence;

(v) Within the overall value limit specified for import of spare parts in sub-paras (i) and (ii) above, a licence holder can also import accessories, ancillary equipment and auxiliaries required for maintenance of the main machinery or for use with the main machinery in the licence holders' factory.

153. **Validity period of licences.** (1) The initial validity period of C.G. licence will be 12 months from the date of its issue subject to the condition that the licensee shall be required to place firm order on the foreign supplier within 4 months from the date of issue of th licence. If a licensee fails to place firm order on the foreign supplier within 4 months, his request for extending this period of 4 months by another 3 months may be considered

by the licensing authority, on merits, if the said authority is satisfied that the licensee was unable to place firm order within the stipulated period of 4 months for valid reasons and that a refusal to grant further time for placing firm order will cause genuine hardship.

(2) The procedure for revalidation of C.G. licences is laid down in Chapter XI of this book.

(B) Scheme for licensing Heavy Electrical Plant

154. **Scope of the Scheme.**—(1) The Scheme extends to electrical plant and machinery as well as cognate equipment and materials essential for power plant (either for generation or transformation of electric power) required for factories. This scheme, however, does not apply to such electrical equipment as is required by domestic consumers, industrial concerns or laboratories for purposes other than specific electric power projects.

(2) The scheme applies to the following S. Nos. of the I.T.C. schedule subject to the condition that the value of the goods for any single project or group of connected projects, required to be imported, is not less than Rs. 25, 000 (f.o.b.) :—

Part II.—Serial Nos. 33A, 33B, 34, 36, 38, 39, 40, 42, 43, 45, 46A and 48.

Part III.—Serial No. 4.

Part V.—Serial No. 65.

Submission of applications

155. (1) Applications for Heavy Electrical Plant should be made in the application form prescribed in this book. Applicants requiring H.E.P. licences should, as far as possible, consolidate their requirements and submit the applications, in duplicate, to the Chief Controller of Imports and Exports (C.G. Division), New Delhi, through the Central Water and Power Commission (Power Wing), Government of India.

(2) The applications should be accompanied by (i) I.V.C. Registration/Exemption number, (ii) treasury receipt towards the payment of requisite application fee, and (iii) any other document/information considered necessary or required in terms of the policy in force.

Special form for issue of licences

156. Licences for Heavy Electrical Plant will bear the distinctive mark 'H.E.P.' and will be issued in the same special form as in the case of licences for Capital Goods.

Validity period of licences

157. The initial period of validity and procedure for extension of H.E.P. licences will be the same as in the case of licences for capital goods as indicated in paragraph 153 above.

158. With regard to revalidation and amendment of c.i.f. value of H.E.P. licences the applicants are advised that requests for such amendments and revalidation may be routed through the Central Water and Power Commission to the Chief Controller of Imports and Exports (C.G. Division).

(C) Machine Tools

Procedure in respect of machine tools

159. The rules and procedure applicable to capital goods as set out in earlier paragraphs will also apply to machine tools.

Submission of applications

160. (1) Actual users in the small scale sector and other actual users referred to in paragraph 131 above, should make applications for import of machinery and machine tools up to Rs. 8,000/- to the regional licensing authority concerned, as provided in paragraph 82 of this book. The applications should be made in duplicate in the prescribed form (Form 'B') and should be sent through the sponsoring authority concerned. The sponsoring authority will forward the application to the licensing authority concerned with his recommendation. If the sponsoring authority recommends the import of any banned category of machine tools, he will do so only after obtaining indigenous clearance from the D.C. (S.S.I.) New Delhi (and give a specific certificate to this effect in his recommendation). Before recommending a licence for import of machine tools, the sponsoring authority will also verify in regard to the availability of the machine tools in question with the State Trading Corporation of India, and import will be recommended only for such items as are neither available indigenously nor from the stocks of the S.T.C.

(2) Actual users borne on the books of the D.G.T.D. should also submit their applications for import of machinery and machine tools for a value not exceeding Rs. 16,000/- in the form prescribed for raw materials, components and spares. Such applications will be considered by the C.C.I. & E., New Delhi, on the recommendation of the D.G.T.D. against the celling earmarked or allocated for raw materials components and spares.

(3) Applications for import of machine tools for values exceeding the limits indicated in sub-paras. (1) and (2) of this paragraph, should be made in the prescribed form 'E' to the C.C.I. & E., New Delhi. The application should be accompanied by seven copies of the list of items sought to be imported.

(4) The applications under sub-para. (3) above should be made in the manner indicated below :—

(a) The scheduled industries borne on the books of the Directorate General of Technical Development should send their applications through the Deputy Director (Co-ordination), Directorate General of Technical Development, Udyog Bhavan, New Delhi.

(b) The small scale industries should make their applications through the sponsoring authority concerned and the Development Commissioner, Small Scale Industries, New Delhi. The

applicant should send his application to the sponsoring authority concerned, who will forward the same with his recommendation to the D.C. (S.S.I.), New Delhi.

(c) Non-D.G.T.D. and non-scheduled industries other than Small Scale, should send their applications through the sponsoring authority concerned.

(5) The applications should be accompanied by (i) I.V.C. Registration/ Exemption number, (ii) Treasury Receipt showing the payment of the requisite amount of application fee, and (iii) any other information/ document considered necessary or required in terms of the policy in force.

(6) All actual users should include their requirements for import of spares of Machine Tools in their applications for other spare parts.

161. Import licences will not normally be granted to actual users for machine tools which are manufactured in India. For the list of such machine tools, the actual users should consult the relevant Import Trade Control Policy Book.

Full description of the machine tools to be furnished

162. All applications should contain, as far as possible full description of the machine tools desired to be imported, together with the c.i.f. value of each item separately. Descriptive catalogues, if available, should also be sent alongwith the application.

Permissible types of Machine Tools

163. For the permissible types of machine Tools, Importer should consult the Import Trade Control Policy Book for the relevant period.

Licences to meet specific orders placed by D.G.S.&D. etc.

164. Licences will continue to be granted to meet specific orders placed by the Director General of Supplies and Disposals, Government Railways and N.S.I.C. (Pvt.) Ltd. The applications for licences should be made to the Chief Controller of Imports and Exports, New Delhi.

Validity of Licence

165. The period of validity of import licences for machine tools will be as indicated in Chapter XI of this book.

Import of second hand Machine tools

166. Applications from Actual Users for import of second-hand machine tools must be accompanied by a Chartered Engineer's certificate bringing out the following information :—

(i) Full specification of the second-hand machine tool, maker's name for the machine and price of the machine or similar machine if bought new.

(ii) Year of make.

(iii) Name of the firm which carried out reconditioning/repairs, if any, and nature of repairs carried out.

(iv) Present condition and expected life subject to normal care and maintenance and use within its designed capacity.

(v) Professional standing of the Chartered Engineer who should normally be an independent party having nothing to do with the firm selling the second-hand machine.

(vi) Photograph of the machine if available.

Requests for issue of import licences for second-hand machine tools would be produced to the satisfaction of the licensing authority and the list of items got attached by the licensing authority before shipment is effected, would also be considered on merits in consultation with Development Officer (Tools).

Condition applicable to licences for machine tools

167. Import licences for machine tools will be issued subject to the following condition in addition to any other condition(s) imposed or deemed to have been imposed on the licence under Clause 5 of the Imports (Control) Order, 1955, as amended :—

"This licence is issued subject to the condition that the particulars of goods i.e., machine tools, imported under it shall be furnished by the licensee to the Customs authorities in the prescribed proforma alongwith the bill of entry or other documents of import at the time of clearance of goods".

The proforma prescribed for this purpose is given in Appendix 23.

Import of printing machinery

168. (1) Applications for import of printing machinery will be considered from actual users.

(2) Applications from printers registered as small scale units with the State Directors of Industries, should be made to the Chief Controller of Imports and Exports, New Delhi, through the State Directors of Industries. Other printers should apply through the State Controller of Printing. The applications should be made in form 'B'. The sponsoring authority will record his recommendation in Part III of the application form; and will also indicate therein whether the machinery sought to be imported is required for replacement or development purposes and whether the applicant is a quality printer or not.

(3) Applications for import of printing machinery from units engaged in industrial production should be made to the Chief Controller of Imports and Exports, New Delhi, through the sponsoring authority concerned. Such applications should be made in form 'E'.

(4) Under these provision, applications for import licences will be considered from actual users for the import of rotaries and custom-built specific purpose printing machinery. The 'custom-built machines' are those which are specially built/manufactured to a particular specification and design to suit the requirements of an actual user. They are broadly of one unit combination designed and made to order, have their own identity and

are meant to do specialised type of work involving one or more operation which cannot normally be done by machines built to standard specifications available in the market. Examples of such machines are Currency Printing Machines, combining different processes and methods of printing such as letter press, offset and photogravure, flexographic printing machines for the production of paper bags which have printing and linings on the inner side, machines for printing special forms, challans, delivery notes, etc., in duplicates, triplicates and quadruplicates each in different colours of paper, carton and reel ticket printing machines, machines designed for paper lined aluminium foil printing for packing different sizes required by pharmaceutical firms.

(5) The actual users requiring other types of printing machines of rupee area origin may contact the State Trading Corporation of India, New Delhi, or apply for direct import. The S.T.C. has been authorised to comply with the orders for machines other than (i) Automatic Cylinder Printing Machines, (ii) Paper Folding Machines, and (iii) Thread Sewing Machines, and not exceeding the c.i.f. value of Rs. 25,000/- (post-devaluation) provided :

(a) that no actual user is supplied with more than one machine during the course of a year;

(b) that no actual user is allowed to sell the machine acquired from the S.T.C. without the prior approval of the Chief Controller of Imports and Exports, New Delhi;

(c) that request for a second unit of the same machine from the same actual user will be referred to the Chief Controller of Imports and Exports, New Delhi, for instructions; and

(d) that the orders on the S.T.C. for the supply of machine from printing establishments should be duly supported by recommendations of the sponsoring authority concerned.

(6) The machines of the types, namely, (i) Automatic Cylinder Printing Machines, (ii) Paper Folding Machines, and (iii) Thread Sewing Machines, and those valued at more than Rs. 25,000/- c.i.f. (post-devaluation), will be supplied by the S.T.C. to actual users with the prior approval of the Chief Controller of Imports and Exports, New Delhi.

Import of Garage and workshop machinery

169. Applications for import of garage and workshop machinery will be considered from actual users. Such applications should be made to the Chief Controller of Imports and Exports, New Delhi, through the State Directors of Industries. The applications should be made in form 'E'. The sponsoring authority will record his recommendation in Part III of the application form; and will also indicate therein whether the machinery sought to be imported is required for replacement purposes. The applicant should also indicate the country from which the equipment is sought to be imported.

Import of Studio Equipment

170. Applications for import of studio equipment will be considered from film studios. The applications should be made in form 'B' and addressed to the Chief Controller of Imports and Exports, New Delhi. The

applicant should also indicate the country from which the equipment is sought to be imported.

Import of construction machinery

171. Applications for import of construction machinery will be considered from construction agencies. The applications should be made in form 'B' and addressed to the Chief Controller of Imports and Exports, New Delhi. The applications should be made through the State Director of Industries who will make his recommendation in consultation with the concerned department of the State Government. The applicant should also indicate the country from which the equipment is sought to be imported.

Units engaged in chemical analysis and testing

172. (1) Applications from the units engaged in chemical analysis and testing of the products manufactured by other industrial units, will be considered for the import of essential machinery, machine tools of equipments, which are not produced indigenously.

(2) The application should be made to the regional licensing authorities concerned in the prescribed form 'B', through the State Director of Industries. The Director of Industries should obtain indigenous clearance from the DC(SSI), New Delhi, before recommending a licence.

Garment making Industry

173. Applications from garment-making industry for the import of spares and machines for replacement or expansion purposes and for setting up new units, will be considered by the Joint Chief Controller of Imports and Exports, Bombay, on the basis of the recommendation made by the Textile Commissioner. Such applications should be made through the Textile Commissioner in the prescribed form 'B'.

Import of prototypes

174. The procedure for submission of applications for import of prototypes is contained in Chapter IV of this book.

CHAPTER VII

SPECIAL LICENSING SCHEMES EQUIPMENTS FOR IRRIGATION PROJECTS

175. (1) The scheme for the import of machinery and equipment required by irrigation projects will apply to import applications of an aggregate value of Rs. 25,000 or more in respect of any project or subsidiary thereof.

(2) Subject to the provisions of sub-para. (1) above, the scheme will apply to the following goods classifiable under Parts I, II and V of the I.T.C. schedule :—

Part I.—Serial No. 17—Cast iron and steel valves and similar controls for Water Works, Irrigation and Hydro-Electric sciences.
Serial No. 20—Fabricated gates for dams and barrages.

Part II.—Serial No. 9—Iron and steel articles and controls including cocks and taps for dams and barrages.
Serial No. 36—All goods included in Serial Nos. 36(1), 36(2), 36(3), 36(4) and 36(5)—required for Irrigation and Hydro-Electric schemes.

Part V.—Serial No. 65—All goods falling under Serial Nos. 65(1), 65(2), 65(3), 65(4) and 65(5) when required for Irrigation Projects.
Serial No. 92—Water meters and measuring instruments required for Water Works, Irrigation and Hydro-Electric Projects.

(3) **Form and manner of application.**—The applications for equipments and machinery for irrigation projects will be considered in the same way as the applications for Capital Goods. An applicant should submit one consolidated application in respect of all his requirements instead of making piecemeal applications. The applications should be made in duplicate in the application form prescribed for Capital Goods and Heavy Electrical Plant as given in this book (*i.e.*, Form 'E'), to the Chief Controller of Imports and Exports, New Delhi, through the Central Water and Power Commission, New Delhi.

(4) The application should be accompanied by I.V.C. Registration/Exemption Number, the treasury receipt, showing payment of application fee, seven copies of the list of goods applied for, and any other document relied upon by the applicant or considered necessary in terms of the policy in force.

(5) **Period of validity.**—The period of validity of the licences granted under this scheme has been indicated in Chapter XI of this book.

Government Contracts/Stores ordered by Director General of Supplies and Disposals

176. (1) Special arrangements have been made to deal with applications for import licences by persons or firms, etc., to cover goods in respect of

which a contract has been placed on them by the Director General of Supplies and Disposals.

(2) **Import Recommendation Certificate.**—In such cases, the applicant should obtain from the appropriate Director of Supplies an Import Recommendation Certificate (IRC) showing *inter alia* :—

(i) The number and date of the contract.
(ii) Description of goods.
(iii) Contractual value of goods.
(iv) c.i.f. value of goods.
(v) Expected period of delivery.
(vi) Name of the indentor.
(vii) Reference number and date under which foreign exchange has been released.
(viii) Source from which foreign exchange is provided and mode of payment.
(ix) Number and date under which indigenous clearance has been obtained from the D.G.T.D. in respect of the goods sought to be imported.

NOTE (1) :—It may be clarified that no indigenous clearance will be necessary for the import of goods which are licensable to actual users in terms of the Import Trade Control policy in force at the time of making the application for the licence. In respect of all other items, it will be necessary for the D.G.S. & D. to obtain clearance from the D.G.T.D., before recommending the import.

NOTE (2) :—The D.G.S. & D. will issue the I.R.C. after all the terms and conditions pertaining to the relevant contract have been finalised, and an indication to this effect will be given in the I.R.C.

(3) **Form and manner of application.**—On receipt of the above-mentioned certificate, the applicant should make out a single application in respect of each contract, covering all goods under Parts I, II, III, IV and V of the I.T.C. schedule (other than controlled categories of iron and steel) an the form prescribed for established importers (*i.e.*, form 'A') as given in this book. The words 'Established Importers' at the head of the application form should, however, be struck off and replaced by words "D.G.S. & D. CONTRACTS" in red ink, and clause 7 of the form should also be deleted. The application should be forwarded to the Chief Controller of Imports and Exports (Government Licensing Section), New Delhi, attaching the certificate from the Director of Supplies, in original.

(4) The application should be accompanied by I.V.C. Registration/ Exemption number, the treasury receipt, showing payment of application fee, five copies of the list of goods sought to be imported and any other document relied upon by the applicant or considered necessary in terms of the policy in force.

(5) **Period of validity.**—The period of validity of the licences issued under these provisions is indicated in Chapter XI of this book.

(6) **No last date for applications.**—The applications will be entertained as and when received during the course of a licensing period.

(7) **Imports against D.G.S. & D. contracts will not qualify for quota.**—Licences issued on the basis of such applications will not deprive the importer of his normal quota entitlement, if any, nor will any benefit be given to him for any imports made under this scheme in calculating the importer's quota.

(8) **Conditions on licences.**—In addition to any other conditions which may be imposed on or applicable to the licences issued under this scheme, the following condition will also be imposed :

> "This licence is issued subject to the condition that the goods imported shall be utilised or disposed of in the manner as stipulated in D.G.S. & D. Order No..... ... dated ..... and the imported goods shall not be utilised or disposed of in any other manner, without the prior written approval of the licensing authority."

(9) **Intimation to licensing authority.**—If, for any reasons, the licensee is unable to utilise the imported material for the purpose for which the licence has been issued to him and during the period stipulated in the relevant contract, he shall immediately send the necessary intimation to this effect, in writing, to the licensing authority concerned, stating the circumstances in which the licensee has failed to utilise the goods for the purpose for which the import was allowed. On receipt of such intimation, the licensing authority may consider initiating action under Clause 10-C of the Imports (Control) Order, 1955, as amended, without prejudice to any other action that may be taken against the licensee or any other person in this behalf.

Stores ordered by State Railways

177. (1) Special arrangements have also been made to deal with applications for import licences from persons or firms, etc., to cover orders placed on them by State Railways.

(2) **Form and manner of application.**—The applicant should make out a single application in respect of each contract covering all the goods under Parts I, II, III, IV and V of the I.T.C. Schedule (other than controlled categories of iron and steel) in the form prescribed for Established Importers (*i.e.*, Form 'A') as given in this book. The words 'Established Importers' at the head of the application form should, however, be struck off and replaced by the words 'Railway Contracts' in red ink, and clause 7 of the form should also be deleted. The application should be forwarded to the Chief Controller of Imports and Exports (Government Licensing Section), through the Railway Liaison Officer, New Delhi.

(3) **Recommendation for licence.**—While recommending the import, the Railway authorities should invariably give the following particulars *inter-alia* :—

(i) Railway order number and date.
(ii) Description of goods sought to be imported.
(iii) C.i.f. value of the goods.
(iv) Expected period of delivery.
(v) Name of the indentor.
(vi) Reference number and date under which foreign exchange has been released.

(vii) Source from which foreign exchange is provided and mode of payment.

(viii) Reference number and date of the D.G.T.D. under which indigenous clearance has been obtained.

NOTE (1)—It may be clarified that no indigenous clearance will be necessary for the import of goods which are licensable to actual users in terms of the Import Trade Control policy in force at the time of making the application for the licence. In respect of all other items, it will be necessary for the Railway Liaison Officer to obtain clearance from the D.G.T.D. before recommending the import.

NOTE (2)—The Railway authorities will issue a recommendation for the licence after all the terms and conditions pertaining to the relevant contract have been finalised, and an indication to this effect will be given in the recommendation.

(4) The provisions made in sub-paras (4), (5), (6), and (7) of paragraph 176 above will also be applicable in the case of Railway contracts.

(5) **Conditions on licences.**—In addition to any other conditions which may be imposed on or applicable to the licences issued under this scheme, the following condition will also be imposed :

"This licence is issued subject to the condition that the goods imported shall be utilised or disposed of in the manner as stipulated in Railway Order No..... dated ..... and the imported goods shall not be utilised or disposed of in any other manner without the prior written approval of the licensing authority."

(6) The provisions of sub-para (9) of paragraph 176 above, will also apply to licences issued against railway contracts.

Defence Contracts

178. Import applications made by persons or firms, etc., to cover goods in respect of which a contract has been placed on them by the Defence organisations, will also be considered on the basis of Import Recommendation Certificates issued by such organisations. The applications should be addressed to the Chief Controller of Imports and Exports, New Delhi (Government Licensing Section) in the same manner as laid down for other Government contracts.

Imports from Afghanistan

179. Imports from Afghanistan are regulated in terms of the trade agreements entered into between the Governments of India and Afghanistan from time to time.

Imports from Nepal

180. Imports and exports of goods from and to Nepal are allowed without Import and Export Control restrictions, provided the goods are either the produce of or manufactured in the respective countries, subject

to such exceptions and limitations as have been made, and are in force, or may be made, hereafter.

Imports by traders in Jammu and Kashmir

181. (1) **Weightage on quota entitlements.**—Established importers in the State of Jammu and Kashmir are, at present, allowed a weightage of 50 per cent over their quota entitlements for permissible items. They are, however, required to (i) bring the goods imported by them into the State of Jammu and Kashmir, (ii) their arrival is reported to the Director of Supplies, Jammu and Kashmir, and (iii) they are not to be put up for sale without physical verification by the Director of Supplies.

(2) Where an established importer is eligible to a minimum value quota licence under the relevant import policy, the weightage in terms of sub-paragraph (1) of this paragraph will be allowed to him on such admissible minimum value.

(3) The established importers will not be eligible to have their quotas refixed on the basis of more favourable imports in the basic period resulting from the weightage of 50 per cent allowed to them on their quota entitlement.

(4) Import licences to established importers in Jammu and Kashmir will be issued after the applicant has produced a certificate from the State Director of Supplies that he has fulfilled the conditions in respect of the previous quota licences issued to him, as stated in sub-para (1) above.

Licensing under Trade Arrangements

182. The Government of India have signed Trade Agreements with a number of foreign countries. These Trade Agreements are revised from time to time. In addition to the Trade Agreements, special payments and trade arrangements have also been worked out with respect to some of the countries. Licences under the special payments and trade arrangements with these particular countries are issued from time to time. For particulars the importers are advised to contact the Chief Controller of Imports and Exports or the Ministry of Foreign Trade, New Delhi.

Import for stock and sale through Co-operatives

183. (1) Applications for import licences for certain selected consumer goods are considered from National Co-operative Consumers Federation, New Delhi, subject to the availability of ceiling.

(2) Application for licences should be made to the Chief Controller of Imports and Exports, New Delhi, through the Ministry of Food, Agriculture, Community Development and Co-operation (Department of Co-operation), New Delhi.

(3) Applications should be made in the prescribed form 'B', supported by treasury challan showing payment of application fees, and any other document as may be necessary under the import policy in force.

(4) Import licences issued in such cases will be subject to such conditions regarding distribution or disposal of the imported goods as may be imposed by the licensing authorities.

CHAPTER VIII

PUBLIC SECTOR

Part A—*Industrial undertakings in the public sector*

184. The industrial undertakings in the public sector have been divided into two categories, and the procedure for submission of import applications in respect of each category is different. These two categories are :—

(i) Industrial undertakings in the public sector, excluding industrial undertakings which are run departmentally by Central or a State Government; and

(ii) Industrial undertakings which are run departmentally by Central or a State Government.

Import of raw materials, components and spares

A—Industrial undertakings excluding departmentally-run-undertakings

(a) Priority Industries

185. A list of priority industries is given in Appendix 12.

(i) Import of raw materials and components

186. (1) **Applications on consumption basis.**—The industrial undertakings in the public sector, engaged in the priority industries (excluding undertakings which are run departmentally by the Central or a State Government), should make their import applications for raw materials and components, end-products wise (which includes related end-products) by way of claiming replenishment of imported raw materials and components consumed by the unit within a given period, in the same manner and subject to the same conditions as have been laid down for the units borne on the books of the D.G.T.D. and engaged in priority industries.

(2) **Applications through D.G.T.D.**—Applications should be made by the units to the Chief Controller of Imports and Exports, New Delhi, through the Directorate General of Technical Development (Import Cell). The D.G.T.D. will recommend the applications having regard to the essentiality for import as well as the import policy in force. Such applications will not be required to be routed through the administrative Ministries concerned.

(3) **Defence and iron and steel industries, in the public sector.**—In the case of industrial units under the Ministry of Defence, and the units under the Ministry of Steel and Heavy Engineering, manufacturing iron and steel, a different procedure will be followed. Such units should make their import applications through the administrative Ministry concerned. The administrative Ministry will examine the application from the essentiality angle, and forward the same, with their recommendation, to the D.G.T.D., indicating the specific foreign exchange allocation to cover the import recommended. The D.G.T.D. will examine the items, sought to be imported, with reference

to the import policy, in force, and send the applications, with their comments, to the Chief Controller of Imports and Exports, New Delhi.

(4) In the case of iron & steel industries, the Ministry of Steel and Heavy Engineering will recommend the application having regard to the performance of the steel plants, inventories they hold and their production programme for the licensing year as well as the import policy in force.

(5) **Form and manner of application.**—Applications should be made, in duplicate, in the prescribed form 'C' as given in this book, accompanied by :—

(i) A statement showing consumption, production and un-utilised value of licences, in the proforma appearing in Appendix 14.

(ii) Treasury/Bank receipt showing payment of application fees on the value applied for.

(iii) The required number of copies of the list of items sought to be imported; (the number of copies of the list of items likely to be required should be calculated by the applicant on the basis of seven copies for each licence of the set of previous licences issued. Out of these seven copies, one copy will be returned by the Directorate General of Technical Development to the applicant with such amendments as may be made by the D.G.T.D.).

(iv) Any other document/information considered necessary or required in terms of the provisions of this book or relevant Import Trade Control Policy Book or any other Public Notice/ Trade Notice, issued in this regard.

(ii) Import of spare parts

187. (1) **Separate applications for spares.**—The industrial undertakings in the public sector, engaged in the priority industries (excluding undertakings which are run departmentally by the Central or a State Government) should make separate applications for import of spare parts. Such applications should be made on annual basis. There will be no last date for submission of applications during a licensing period.

(2) **Applications through D.G.T.D.**—Applications for import of spare parts should be made to the Chief Controller of Imports and Exports, New Delhi, through the D.G.T.D. The D.G.T.D. will send the applications to the C.C.I. & E. with their recommendations. Such applications will not be required to be routed through the administrative Ministries concerned.

(3) **Defence industries in the Public Sector.**—Industrial units under the Ministry of Defence should submit their import applications for spare parts through the Ministry of Defence (Department of Defence Production), New Delhi. The Ministry of Defence will examine the application from the essentiality angle and forward it to the Chief Controller of Imports and Exports, New Delhi, with their recommendation indicating the specific allocation of foreign exchange to cover the import recommended. Such application will not be required to be routed through the D.G.T.D., unless the applicant wants to import spare parts listed in Appendix 3 to relevant

Import Trade Control Policy (Vol-I) in excess of the value limits already permitted for such imports, in terms of the policy in force.

(4) **Iron and steel industries in the Public Sector.**—Industrial units under the Ministry of Steel and Heavy Engineering manufacturing iron and steel should submit their import applications for spare parts through the Ministry of Steel and Heavy Engineering. The Ministry of Steel and Heavy Engineering will examine the applications and recommend the same to the Chief Controller of Imports and Exports New Delhi after obtaining the necessary foreign exchange allocation to cover the import recommended. Such applications will not be required to be routed through the D.G.T.D. When the applicant seeks to import spare parts listed in Appendix 3 to the relevant Import Trade Control Policy Book (Vol. 1), in excess of the value limits permitted for such imports in terms of the policy in force, the following procedure will be followed :—

(i) (a) The requirements of identifiable units of equipments like motors, compressors, pumps, switch-gears, etc., should be advertised in the Indian Trade Journal, issued by the Directorate General of Commercial Intelligence and Statistics, I Council House Street, Calcutta-1, giving 45 days' time to indigenous manufacturers to respond to the advertisement.

(i) (b) The advertisement should indicate, *inter alia*, full specifications and particulars of the items sought to be imported. The indigenous manufacturers who are in a position to meet the requirements in response to the advertisement, should send their reply to the applicant within 45 days of the advertisement, with a copy thereof, under registered cover, to the Min. of Steel and Heavy Engineering, New Delhi. In their reply, the indigenous manufacturers should mention the specifications and particulars of the goods which they are in a position to supply, the period of delivery, prices and other relevant terms. The applicant should make his import application only for those items which he cannot procure from indigenous sources.

(ii) In respect of restricted items other than those covered by (i) (a) above, the administrative Ministry will send their recommendation to the Chief Controller of Imports and Exports, New Delhi indicating the value up to which such items will be allowed to be imported. Based on the recommendation of the Ministry of Steel and Heavy Engineering, the Chief Controller of Imports and Exports, New Delhi will consider the application without reference to the D.G.T.D.

(5) **Form and manner of applications.**—Applications for import of spare parts, should be made in the prescribed form 'K' given in Appendix 3, accompanied by :—

(i) Treasury challan showing payment of application fees.

(ii) A statement indicating all the particulars of the imported machinery as well as indigenous machinery having imported components, for the maintenance of which the spare parts are sought to be imported.

(6) **No list of spares.**—It will not be necessary for the applicant to furnish a list of spare parts to be imported. Import licences will be valid for the import of permissible spare parts required for the plant, machinery and equipment installed or used in the licence holder's factory, in accordance

with the relevant import policy applicable to the units engaged in the priority industries. If the applicant unit seeks to import restricted spare parts, listed in Appendix 3 to the relevant Import Trade Control Policy Book (Vol. I), in excess of the value limits already permitted for such import, in terms of the import policy in force, it should furnish a list of such restricted spare parts.

(b) Industries other than the priority industries

Import of raw materials, components and spares

188. (1) **Consolidated applications.**—Industrial undertakings in the public sector, engaged in industries other than priority industries (excluding industrial undertakings which are run departmentally by Central or a State Government) should make consolidated applications for raw materials, components and spares to the Chief Controller of Imports and Exports, New Delhi.

(2) **Applications through D.G.T.D.**—The applicant units should send its import application in triplicate to the Chief Controller of Imports and Exports, New Delhi, through D.G.T.D., (Import Cell), Udyog Bhawan, New Delhi for scrutiny of the items sought to be imported, with reference to the import policy in force. The application in duplicate will be forwarded by the D.G.T.D. to the administrative Ministry concerned. If the import is considered essential by the administrative Ministry concerned, it will arrange for the release of necessary foreign exchange and forward a copy of the application to the Chief Controller of Imports and Exports, New Delhi for considering the issue of an import licence.

(3) (a) **Applications on half-yearly basis.**—As far as possible, applicant units should apply for import of raw materials, components and spares on half-yearly basis and subject to the same conditions as have been laid down for the units borne on the basis of the D.G.T.D. and engaged in industries other than priority industries.

(b) The first application, covering requirements for six months, should be made after utilising the previous set of licences for raw materials, components and spares to the extent of 90 per cent by opening letter of credit, or 60 per cent by actual importation, or 70 per cent by shipment of goods.

(c) The second application, covering further requirements for six months, may be made after utilising the import licences issued against the first application to the extent indicated in (b) above.

(d) The evidence showing the utilisation of previous licences should be furnished with each application, in the form of original or photostat of the Exchange Control or Customs copy of the licence, as the case may be. In lieu of Exchange Control copy of the licence, a certificate from the concerned Bank in support of opening of letter of credit may also be accepted.

(4) **Form and manner of application.**—(a) The form and manner of application for the units engaged in industries other than the priority industries will be the same as laid down in sub-paragraph 186(5) above, except that such units will not be required to furnish statement of consumption, etc.

(b) There will be no last date for submission of application during a licensing period.

(5) **No list for spares.**—It will not be necessary for an applicant to furnish the list of spare parts sought to be imported. Import licences will be valid for the import of permissible spare parts, required for the plant, machinery and equipment, installed or used, in the licence holder's factory, subject to such restrictions as may be imposed by the licensing authority in terms of the relevant import policy in force. A list of spare parts will be necessary only if the unit seeks to import restricted spare parts in excess of the prescribed value limits, as stated in sub-para. 187(6) above.

(6) **Consolidated licences.**—Import licences issued to a unit engaged in industries other than the priority industries, will be consolidated licences covering the requirements of the unit in respect of raw materials, components as well as spares including spare parts of machine tools.

B—**Undertakings run departmentally by Central or a State Government**

189. **Procedure for submission of applications.**—(1) Import licences for raw materials, components and spares to industrial undertakings in the public sector run departmentally by Central or a State Government, will be granted against the specific foreign exchange ceilings allocated/released by the Government of India and on the basis of clearance given by the D.G.T.D.

(2) Applications for licences may be made by such undertakings to the Chief Controller of Imports and Exports, New Delhi, or to the regional licensing authorities concerned.

(3) The applications should be supported by a letter of the administrative Ministry of the Government of India indicating the sanction for the release of foreign exchange to cover the imports sought to be made. Such letter should also certify in clear terms that clearance from indigenous angle has been obtained from the D.G.T.D., and that the concurrence of the Ministry of Finance (Department of Economic Affairs), Government of India, for expenditure of foreign exchange has been obtained.

(4) The provisions of sub-paragraph 186(5) above will also apply to these undertakings. It may, however, be clarified that a public sector project/undertaking run as a department or an office of the Central Government or a State Government is exempt from the payment of application fees.

190. **Consolidated applications.**—It should be noted that an industrial undertaking should submit a consolidated application for an import licence covering its requirements of raw materials, components as also, spare parts, including spare parts of machine tools for the particular industry to which the application pertains except that the units engaged in the priority industries should make a separate application for spare parts. Where an undertaking has to import goods through different agents by obtaining letters of authority in favour of such agents, the application for the licence should be accompanied by separate lists of goods to be imported through each agent. In such cases the applicant can also make separate applications for licences in respect of goods to be imported through different agents.

191. **Processing of applications and basis of licensing.**—(1) In the case of industrial undertakings engaged in the priority industries (other than those run departmentally by Central or a State Government), the import

applications will be scrutinized by the D.G.T.D., both from the point of view of essentiality and import policy angles; and import licences will be issued to such units on the recommendations of the D.G.T.D. However, in the case of units under the Ministry of Defence, and the units under the Ministry of Steel and Heavy Engineering, manufacturing iron and steel, the D.G.T.D. will scrutinize the applications from import policy angle only; and the essentiality for import in such cases will be determined by the administrative Ministry concerned.

(2) In the case of industrial undertakings engaged in industries other than the priority industries (excluding those run departmentally by Central or a State Government), the applications will be scrutinized by the D.G.T.D. from import policy angle. The essentiality for import in such cases will be determined by the administrative Ministry concerned; and import licences will be issued in respect of the items cleared by the D.G.T.D. and for the value recommended by the administrative Ministry.

(3) In the case of undertakings run departmentally by Central or a State Government, import licences will be issued on the basis of the foreign exchange released by the administrative Ministry and the clearance given by the D.G.T.D.

(4) In the case of units where the D.G.T.D. will be required to examine the application both from the point of view of essentiality and import policy angle, the recommendation of the D.G.T.D. will be forwarded to the Chief Controller of Imports and Exports, New Delhi, alongwith one copy of the application for licence in each case and the treasury challan furnished by the party. The required number of copies of the list of goods recommended for import by the D.G.T.D. including one copy of the list duly attested by them, will also be sent to the Chief Controller of Imports and Exports, New Delhi, alongwith the recommendations in all cases. The D.G.T.D. will also send a copy of their recommendation to the applicant, returning to him therewith one copy of the list of the goods applied for, with such changes as may be made by them in the list.

(5) In the case of units where the D.G.T.D. will be required to examine the application only from the import policy angle, the G.D.T.D. will at test one copy of the list of items cleared by them for use in the licensing office. The D.G.T.D. will also send one copy of the list to the applicant with such changes as may be made by them in the list.

(6) **Processing of application in licensing office.**—On receipt of the application and the recommendation from the D.G.T.D./administrative Ministry, the licensing authority will check the treasury challan, and if the application is found to be in order, the licence will be issued or refused, as the case may be, based on the recommendation of the D.G.T.D./administrative Ministry. The value or quantitative limit, if necessary, in respect of any item allowed to be imported, will be imposed by the licensing authority on the basis of the recommendation of the D.G.T.D.

(7) In the case of applications from departmentally-run industrial undertakings, which are not to be sponsored by the D.G.T.D., the licensing authority will consider the applications on the basis of the foreign exchange release and the clearance obtained by the applicant as indicated in sub-paragraph (3) above.

(8) The licensing authority will issue consolidated licence(s) to each industrial undertaking for the import of raw materials, components and spares except that in the case of units engaged in the priority industries, separate licences will be issued for spare parts. However, instead of issuing consolidated licence(s) against a particular application, the licensing authority may issue separate import licences in the following types of cases :—

(a) Where the goods are sought to be imported by the applicant through different agents on the basis of letters of authority;

(b) Where the mode of payment is different, such as free foreign exchange, AID, Rupee, etc.; and

(c) Where the goods are to be imported through different ports.

192. **Flexibility.**—The flexibility provided to actual users in the utilisation of their import licences for raw materials, components and spares in term of paragraph 84 and 85 of this book will also be applicable to the import licences for raw materials, compenents and spares issued to the industrial undertakings in the public sector.

193. **Emergency licences for spares.**—The facility provided to actual users for the grant of emergency licences for import of spare parts will also be available to the industrial undertakings in the public sector, upto a total value of Rs. 10,000/- in each case during the course of a licensing period. The applications for emergency spares can be made by the undertakings to the Headquarters Office of the Chief Controller of Imports & Exports or to the regional licensing authority concerned. In each application, the undertaking should indicate the value of emergency spares licences already obtained or applied for during the licensing period.

194. **Applications for amendment in the licences.**—The applications for amendment in licences should be made by the licensee direct to the licensing authority concerned. Where any change in the description or value of goods is sought, the application for amendment should be made through the Directorate General of Technical Development in the case of undertakings sponsored by the D.G.T.D. In the case of undertakings not sponsored by the D.G.T.D., the application for amendment in value or goods should be made through the administrative Ministry concerned or supported by the same evidence as is necessary for obtaining an import licence.

195. **Applications for revalidation.**—The applications for revalidation of licences should also be made direct to the licensing authorities concerned, in the prescribed application form as given in this book. While applying for revalidation of licence issued for the import of goods under Foreign Credit, Loan or AID, or other tied resources, it should be clearly indicated whether the date/period up to which revalidation is asked for, falls within the date/period of terminal delivery fixed under the particular Credit, etc.

196. **Industrial undertakings of State Governments.**—The procedure applicable to the industrial undertakings in the public sector in the preceding paragraphs will also apply to the industrial undertakings of the State Governments.

Import of capital goods (plant and equipment)

197. The public sector projects/undertakings should submit their applications for import of capital goods in the prescribed form (Form 'E') as given in Appendix 3. The applications should be supported by the following :—

(i) Seven copies of the list of items sought to be imported.

(ii) A treasury receipt showing the payment of application fee on the value applied for. (It may be clarified that a public sector project/undertaking run as a department or an office of the Central or State Government is exempt from the payment of application fee). And

(iii) Any other document/information considered necessary or required in terms of the provisions of this book; or the relevant Import Trade Control Policy Book; or any other Public Notice/ Trade Notice, issued in this regard.

198. (1) The applications for licences should be made to the Chief Controller of Imports & Exports, New Delhi, in the manner indicated below :—

(i) The applicant should send his application to the D.G.T.D.

(ii) The D.G.T.D., after giving their comments from the indigenous angle and essentiality, will forward the application to the administrative Ministry concerned in the Central Government.

(iii) The administrative Ministry concerned will forward the application to the Chief Controller of Imports & Exports, New Delhi, with their recommendation and also indicate the necessary release of foreign exchange, if they recommend the import.

(2) Units producing iron and steel should submit their applications to the Ministry of Steel and Heavy Engineering. They will examine the requirements from the essentiality point of view, obtain a clearance from the D.G.T.D. for import and send the application to the Chief Controller of Imports & Exports, New Delhi with their recommendations. Where they recommend a licence, they will also arrange for necessary foreign exchange allocation.

199. The industrial undertakings in the public sector should send reports on quarterly basis to the administrative Ministry concerned in the Central Government and to the Ministry of Finance (Department of Economic Affairs), New Delhi, indicating the amount of foreign exchange ultilised by obtaining licences for the import of capital goods in a particular licensing period.

200. The public sector projects/undertakings should submit consolidated applications for the import of capital goods, preferably not more than twice in a licensing period. They should also mention the specifications, quantity and value in respect of the items applied for. The quantitative restrictions, if necessary, in respect of any item, will be imposed by the licensing authority on the basis of the recommendation of the D.G.T.D.

201. Applications for import of equipment and machinery needed for emergency requirement, or in the event of sudden breakdown, should be made by public sector projects/undertakings direct to the Chief Controller

of Imports & Exports, New Delhi. Such applications need not be sent through the D.G.T.D. or the administrative Ministry concerned. In the forwarding letter of the application, the applicatnt should indicate the number and date of the licence against which the goods in question were originally imported.

202. **Advertisement procedure.**—Industrial undertakings in the public sector applying for import of capital goods (plant and equipment) for a value exceeding Rs. 7.5 lakhs should follow the advertisement procedure laid down in paragraph 137 of this book.

Part B—*State Electricity Boards/Projects Undertakings*

(i) **Import of maintenance and operational items of spares and stores.**

203. Applications for the import of maintenance and operational items of spares and stores should be made by the State Electricity Boards/Projects Undertakings in the form 'K' given in Appendix 3. Such applications should be made to the Chief Controller of Imports, and Exports, New Delhi or to the regional licensing authority in whose jurisdiction the applicant is situated. In the latter case, the State Electricity Board/Project/Undertaking concerned should send an intimation to the Chief Controller of Imports and Exports, New Delhi (Project Licensing Section), in advance, in the beginning of the licensing period. In such cases, the applications, if any, received by the Chief Controller of Imports and Exports, New Delhi, will be forwarded by him to the regional licensing authority concerned for disposal.

204. The applications should be supported by the following :—

(i) An attested copy of the letter containing sanction of the release of foreign exchange to cover the imports sought to be made.

(ii) A certificate to the effect that the items sought to be imported are not available from indigenous sources, or available in specific delivery period not suitable for the purpose for which the import is intended to be made, and that in the case of banned items, a special clearance from the Central Water and Power Commission/D.G.T.D. has been obtained.

(iii) Five copies of the list of goods sought to be imported duly signed by the applicant.

(If the goods are to be imported against more than one mode of financing, e.g., Free Foreign Exchange, Ruppe, Foreign Credit, etc., the application should be supported by five copies of the list of items to be imported against each such mode of financing).

(iv) A treasury receipt showing the payment of application fees on the value applied for.

(It may be clarified that a Project or a Board or Undertaking run as department or office of the Central or a State Government is exempt from the payment of application fees).

(v) Any other document/information considered necessary or required in terms of the provisions of this book; or the relevant

Import Trade Control Policy Book; or any other Public Notice/ Trade Notice, issued in this regard.

205. (1) Where an allocation has been made by an appropriate authority to any State Electricity Board/Project Undertaking for the import of maintenance and operational items of spares and stores, it will not be necessary for such an applicant to produce with the application for an import licence, the letter containing the sanction of foreign exchange referred to in sub-paragraph 204(i) above. Instead, in such a case, the applicant should send with his application a certificate to the effect that the value of the goods applied for is within the allocation made to the concerned Board/Project/ Undertaking for the import of maintenance and operational items of spares and stores.

(2) In cases where no separate allocation of foreign exchange has been made to an Electricity Board, Project or Undertaking, the applications for licences should be routed through the Central Water and Power Commission, New Delhi.

206. After the import of the goods against the licence issued for the import of maintenance and operational items of spares and stores, the licensee should invariably send to the Central Water and Power Commission, New Delhi, a list of the items actually imported against the licence. The Central Water and Power Commission will undertake a check of the items actually imported having regard to indigenous availability.

207. The State Electricity Board/Project/Undertaking should also send reports on quarterly basis, to their administrative Ministry concerned of the Central or the State Government, as the case may be, and to the Ministry of Finance, Department of Economic Affairs [F.E.B. (II) Branch], New Delhi, Indicating the amount of foreign exchange utilised by obtaining licences for the import of maintenance and operational items of spares and stores in a particular licensing period.

208. **Emergency licences for spares.**—The provisions contained in paragraph 193 of this book for the grant of emergency licences for import of spare parts will also apply to State Electricity Boards/Projects undertaking upto a total value of Rs. 10,000 in each case during the course of a licensing period.

Import of raw materials, components and major assemblies

209. The State Electricity Boards/Undertakings/Projects should make their applications for the import of raw materials, components and major assemblies to the Chief Controller of Imports and Exports, New Delhi, in the manner indicated below :—

(i) The application should be sent to the Central Water and Power Commission, New Delhi, in the form 'K' given in Appendix 3.

(ii) The application should be in duplicate and supported by the following :—

(a) A treasury receipt showing the payment of application fees on the value applied for.

(It may be clarified that a State Electricity Board or Undertaking or a Project run as a Department of the Central or a State Government is exempt from payment of application fees).

(b) Seven copies of the list of items sought to be imported.

(c) Any other document/information considered necessary or required in terms of the provisions of this book; or the Import Trade Control Policy Book; or any other Public Notice/Trade Notice, issued in this regard.

(iii) The Central Water and Power Commission will forward one copy of the application along with the treasury challan and five copies of the list of goods, including one copy duly attested by them, to the Chief Controller of Imports and Exports, New Delhi, with their recommendation.

(iv) The Central Water and Power Commission will also send a copy of the list of the items to the applicant for his information, with such amendments as may be made by them in the list.

Capital goods and electrical plants

210. The procedure for submission of applications for import of capital goods and electrical plants by the State Electricity Boards/Undertakings/ Projects will be the same as indicated for the public sector undertakings in this chapter, except that indigenous clearance in such cases will be given by the Central Water and Power Commission in place of the D.G.T.D.

211. Applications for amendments in licences should be made by the State Electricity Boards/Undertakings/Projects direct to the Chief Controller of Imports and Exports, and not through the Central water and Power Commission. However, where any change in the value or description of goods is sought, the application for amendment should be routed through the Central Water, and Power Commission.

212. Applications for revalidation of licences, should also be made direct to the Chief Controller of Imports and Exports, New Delhi. While applying for revalidation of licences issued for the import of goods under Foreign Credits, Loans, AIDS or other tied resources, it should be clearly indicated whether the date/period upto which revalidation is asked for, falls within the date/period of terminal delivery fixed under the particular Credit, etc.

213. Applications for import of essential requirements by Electricity Projects or Undertakings in the private sector will also be considered by the Chief Controller of Imports and Exports, New Delhi, on the recommendation of the Central Water and Power Commission having regard to the import policy in force. Such undertakings should make their applications in Form 'B'.

Part C—*Government departments/projects*

214. Imports licences to Central and State Government departments/ projects will be granted against the specific foreign exchange ceilings allocated/released by the Government of India and on the basis of the indigenous clearance given by the D.G.T.D.

215. The applications for licences may be made to the Chief Controller of Imports and Exports, New Delhi, or to the regional licensing authorities concerned.

216. The applications for the licence should be made in form 'B' as given in this book. The applicant should send only one copy of the application to the licensing authority, accompanied by the following :—

(i) A letter from the administrative Ministry of the Government of India indicating the sanction for the release of foreign exchange to cover the import sought to be made. Such a letter should also certify in clear terms that clearance from indigenous angle has been obtained from the D.G.T.D. and that the concurrence of the Ministry of Finance (Department of Economic Affairs), Government of India, for expenditure of foreign exchange has been obtained.

(ii) Five copies of the list of goods sought to be imported, as cleared by the D.G.T.D. from indigenous angle.

Note.—It may be clarified that the Central and State Government departments and projects run as a department of the Central or a State Government are exempt from application fees.

Part D—*Non-industrial undertakings in the public sector*

217. The procedure indicated in paragraphs 214 to 216 above will also apply to non-industrial undertakings in the public sector.

218. **Clearance for import of iron and steel items.**—Appendix 41 to the Import Trade Control Policy Book (Vol. I) contains the import policy in respect of iron and steel items. In the case of items not specifically mentioned in the said Appendix 41, the industrial undertakings in the public sector should obtain the necessary clearance for import from the Ministry of Steel & Heavy Engineering, instead of obtaining such clearance from the DGTD.

CHAPTER IX

ACTUAL USERS (NON-INDUSTRIAL)

219. (1) Actual users (non-industrial) are those who require imported equipments, spare parts or other materials for their own use, but who are not engaged in industrial production.

(2) Actual users falling in this category have been broadly classified into the following two sub-groups :—

(i) Actual users (Services), which include actual users like newspaper establishments, printers, publishers of books, construction agencies, fleet owners, garages and workshops, tyre retreading Units, film studios and laboratories.

(ii) Actual users (Institutions), which include actual users like educational institutions, research organisations, technical/technological institutions and hospitals.

(3) Applications from such actual users for import of spare parts for maintenance of the imported machinery and equipment, or indigenously-made machinery or equipment having imported components, or for import of other materials, will be considered in accordance with the relevant import policy in force.

Newspaper Establishments/Publishers of Periodicals

220. (1) **Licensing authority.**—Newspaper establishment and publishers of periodicals, should make their import applications to the Chief Controller of Imports and Exports, New Delhi.

(2) **Application form.**—A separate simplified form for submission of import applications has been prescribed for this category of actual users (Form 'J'), which is given in Appendix 3. The application for import licences should be made in the prescribed form.

(3) **Sponsoring authority.**—(a) Applications for import of newsprint and art paper should be made, in duplicate, through the Registrar of Newspapers, Ministry of Information and Broadcasting, New Delhi.

(b) Applications for other import requirements should be made direct to the licensing authority, and not through the Regisrtar of Newspapers; only one copy of the application should be sent.

(4) **Consolidated applications.**—The applications should be consolidated ones, covering the import requirements of the applicant unit in respect of all items, excluding newsprint and art paper. Common ownership units of newspaper/periodicals can submit one combined application covering the requirements of the various newspapers and periodicals owned by them, giving details of the requirements of each establishment. For the import of printing machinery, separate applications should be made in accordance with the procedure laid down in Chapter VI.

(5) **Eligibility to apply.**—Import applications for specialised requirements can be made after utilising the previous licences for these items to

the extent of 90 per cent by opening letters of credit, or 60 per cent by actual importation, or 70 per cent by shipment of goods. The evidence regarding utilisation of previous licences should be produced in the form of original or photostat copy of the Exchange Control or Customs copy of the licence, as the case may be. In lieu of Exchange Control copy, a certificate from the Bank regarding opening of letter of credit may also be acceptable.

(6) **Accompanying documents.**—Applications should be accompanied by the following :—

(i) Treasury challan showing the payment of application fees. In the case of newsprint, the newspaper establishments have been exempted from payment of application fees on an application covering a quantity of not more than 40 tonnes of newsprint to be imported.

(ii) Details of the existing machinery, viz., description of the machines, number of machines, age of each machine, country of origin and c.i.f. value, in the case of imported machinery or purchase value, in the case of locally purchased machinery.

(iii) Five copies of the list of items to be imported.

(iv) Any other evidence as may be necsesary in terms of the import policy in force.

(7) **Applications on annual basis.**—Applications for import of newsprint and art paper should be made on annual basis within the last date prescribed for this purpose in the relevant import policy. In respect of other requirements also, applications should be made on annual basis. But there will be no last date for submission of such applications during licensing period.

(8) **Associate Presses can also apply.**—Applications for import requirements other than newsprint and art paper, will also be considered from associate presses who have long-term arrangements/contracts with the owners of newspapers for the printing of their newspapers/periodicals. In such cases, the applicant should produce satisfactory documentary evidence in support of their having long-term arrangement/contract with the newspapers.

Printers

221. (1) **Liensing authority.**—Import applications from printers other than associate presses referred to in sub-para (8) of para. 220 above, will be considered by the regional licensing authorities concerned, except for printing machinery for which the licensing authority is the Chief Controller of Imports and Exports, New Delhi.

(2) **Sponsoring authority.**—(a) Applications for licences should be made through the sponsoring authority concerned. The sponsoring authority in the case of a printing unit will be the State Controller of Printing. But the units which have already got themselves registered as small scale units with the State Director of Industries, should make their applications through the State Director of Industries only.

(b) In respect of printing units situated in West Bengal other than those registered as small scale units, the sponsoring authority will be the State Director of Industries; and in the case of printers registered as small

scale units, the sponsoring authority will be the Director of Cottage and Small Scale Industries, West Bengal.

(3) **Eligibility to apply.**—Import applications for specialised requirements can be made after utilising the previous licences for these items to the extent of 90 per cent by opening letters of credit, or 60 per cent by actual importation, or 70 per cent by shipment of goods. The evidence regarding utilisation of previous licences should be produced in the form of original or photostat copy of the Exchange Control or Customs copy of the licence, as the case may be. In lieu of Exchange Control copy, a certificate from the Bank, regarding opening of letter of credit, may also be acceptable.

(4) **Form and manner of applications.**—Applications should be made in the prescribed form 'B' and should be supported by the following :—

(i) Treasury challan showing the payment of application fees on the value applied for.

(ii) Details of the existing machinery, viz., description of the machines, age of each machine, country of origin, and c.i.f. value, in the case of imported machinery or purchase value, in the case of locally purchased machinery.

(iii) Five copies of the list of items to be imported.

(iv) Any other evidence as may be necessary in terms of the import policy in force.

(5) **Consolidated applications.**—The applications should be consolidated ones covering the requirements of the applicant unit in respect of all items excluding printing machinery.

(6) **Annual applications.**—Applications should be made on annual basis. There will be no last date for submission of applications during a licensing period.

Publishers of Books

222. (1) **Licensing authority.**—Applications from publishers of books will be considered by the Chief Controller of Imports & Exports, New Delhi, for import of exposed negatives and positives of books for reproduction of titles.

(2) **Form and manner of application.**—The applications should be made on annual basis in the prescribed form 'B'; and it should be accompanied by a treasury challan showing payment of application fees. There will be no last date for submission of such applications during a licensing period.

(3) The application should be supported by evidence to show that the applicant has published books, namely a certificate from the Federation of Publishers and Book Sellers Associations in India C/o India Book House, Rusi Mansion, 29 Wode House, Bombay-1; or the Publishers Association of India, 14/18, Calicut Street, Ballard Estate, Bombay-1; or the Indian National Reference Library, National Library, Belvedere, Calcutta-27; or any other satisfactory evidence to this effect.

Construction Agencies

223. (1) **Licensing authority.**—Applications for import of spare parts by construction agencies will be considered by the Chief Controller of Imports and Exports, New Delhi.

(2) **Form and manner of application.**—(a) The applications should be made on annual basis in the prescribed form 'B'. It should be accompained by treasury challan showing payment of application fees.

(b) Applicants should furnish five copies of the list of spare parts sought to be imported. Applications may be considered for import of items recommended by the sponsoring authority and not available from indigenous sources.

(c) There will be no last date for submission of applications during a licensing period.

(3) **Particulars of machinery to be furnished.**—The applicant should furnish with his application a statement indicating the description of machinery, the age of the machinery, the country of origin and the c.i.f. value of the imported machinery or purchase value of the locally purchased indigenous machinery, for the maintenance of which the spare parts are sought to be imported.

(4) **Sponsoring authority.**—The applications should be made through the State Director of Industries, who will make his recommendation in consultation with the concerned department of the State Government.

Garages and repair workshops

224. (1) **Licensing authority.**—Applications from garages and repair workshops for import of spare parts of machine tools and permissible garage tools will be considered by the regional licensing authorities concerned.

(2) **Form and manner of application.**—(a) The applications should be made on annual basis in the prescribed form 'B'; and it should be accompanied by a treasury challan showing payment of application fees.

(b) It will not be necessary for the applicant to furnish the list of items sought to be imported. The licence, if issued, will be valid for the import of permissible garage tools and spare parts of machine tools required for the equipment used by the applicant, subject to such restrictions as may be imposed by the licensing authorities under the import policy in force.

(c) There will be no last date for submission of such applications during a licensing period.

(3) **Sponsoring authorities.**—The applications should be made through State Directors of Industries.

Fleet owners

225. (1) **Licensing authority.**—Applications from State Transport authorities and other fleet owners, owning a fleet of 25 vehicles or above, will be considered by the regional licensing authorities concerned, for the import of permissible motor vehicle parts in terms of the import policy in force.

(2) **Co-operative Societies can also apply.**—Such applications will also be considered from a co-operative society of transport operators with a total fleet of 25 vehicles or above. Such co-operative societies should be duly registered with the State Registrar of Co-operative Societies. The application for licence should be made through the State Registrar of Cooperative Societies, who will forward the application to the licensing authority concerned with his recommendation. The Registrar of Cooperative Societies will also verify the correctness of the particulars of vehicles accompanying the application. It may be clarified that the cooperative societies, like other fleet owners, will be required to furnish valid I.V.C. Registration/Exemption number, while applying for import licences.

(3) **Form and manner of application.**—Applications under these provisions should be made in the prescribed form 'B' and should be supported by the following :—

(i) A treasury challan showing payment of the application fees on the value applied for.

(ii) A statement indicating the registration number of each vehicle, the year of make and the country of origin of each vehicle, for the maintenance of which the motor vehicle parts are sought to be imported. This statement should be certified by the Regional Transport Authority, or State Motor Transport Authority, or State Motor Licensing Officer.

(iii) It will not be necessary for the applicant to furnish a list of items sought to be imported. Import licences will be valid for such items of motor vehicle parts, as may be permtited by the licensing authority, under the relevant import policy in force.

(iv) There will be no last date for submission of such applications during a licensing period.

(4) (i) The following vehicles will not be taken into consideration as a part of the fleet for the purpose of these provisions :—

(a) Motorcycles, scooters and auto-rickshaws.

(b) Passenger cars meant for private use.

(ii) Financers who have advanced loans for purchase of vehicles which are being run by individual operators, will not be eligible to receive a licence as fleet owners.

Tyre Retreading Units

226. (1) **Licensing authority.**—Applications from tyre retreading units for import of permissible spare parts of machinery will be considered by the regional licensing authorities concerned.

(2) **Form and manner of application.**—(a) The applications should be made on annual basis in the prescribed form 'B' and it should be accompanied by a treasury challan showing payment of application fees.

(b) It will not be necessary for the applicant to furnish the list of items sought to be imported. The licence, if issued, will be valid for the import of permissible spare parts of machinery required for the equipment used by the applicant, subject to such restrictions as may be imposed by the licensing authorities under the import policy in force.

(c) There will be no last date for submission of such applications during a licensing period.

(3) **Sponsoring authorities.**—The applications should be made through State Directors of Industries.

Film Studios and Laboratories

227. (1) **Licensing authority.**—Applications for import of spare parts, studio bulbs and other materials will be considered by the regional licensing authorities concerned, from film studios and laboratories in terms of the import policy in force.

(2) Applications for import of processing chemicals will also be considered, from film laboratories.

(3) **Form and manner of applications.**—(a) The applications should be made on annual basis in the prescribed form 'B', and it should be supported by a treasury challan showing the payment of application fees on the value applied for.

(b) Five copies of the list of items sought to be imported.

(c) There will be no last date for submission of such applications during a licensing period.

Universities, Institutions and Hospitals

228. **Licensing authorities.**—(a) Applications for the grant of import licences from universities, educational institutions, research organisations, technical/technological institutions and hospitals, will be considered by the Chief Controller of Imports and Exports, New Delhi.

(b) Applications from actual users such as libraries, universities, and technical and educational institutions for import of technical books and permissible categories of magazines and journals will be considered by the regional licensing authorities.

229. **Sponsoring authority.**—(a) Applications from departments and constituent colleges of universities and institutions affiliated thereto (excluding medical and agricultural institutions), should be made through the University Grants Commission, New Delhi.

(b) Applications from technical/technological institutions should be made through the Ministry of Education and Youth Services, New Delhi.

(c) Applications from agricultural institutions should be made through the Ministry of Food, Agriculture, Community Development and Co-operation (Department of Agriculture), New Delhi.

(d) Applications from hospitals and medical colleges should be made through the Health Department of the Central or State Government concerned.

(e) Applications in terms of sub-para (2) of this paragraph can be made direct to the regional licensing authorities concerned.

230. **Form and manner of applications.**—(a) Applications should be made in the form prescribed for a actual users (form 'B'), as given in Appendix 3.

(b) The application should be a consolidated application covering all the items sought to be imported.

(c) Each application should be accompanied by seven copies of the list of items to be imported. The quantity and value in respect of each item should be indicated in the list. Where an applicant has to import goods through different agents by obtaining letters of authority in favour of such agents, the application for licence should be accompanied by separate list of goods to be imported through each agent. In such cases, the applicant can also make separate applications for licences in respect of goods to be imported through different agents.

(d) There will be no last date for submission of applications during a licensing period. The sponsoring authority may, however, fix a last date for submission of applications to be made through it.

Information to be furnished with import applications

231. (1) All institutions including medical colleges and research/agricultural institutions applying for import licences should furnish the following information :—

(i) the department, course/subject, etc., or other purpose, if any, for which the stores covered by the application are required;

(ii) the details of the stores already possessed by the institution;

(iii) particulars (number, date and value) of each import licence issued to the institution for the same stores during the last three licensing periods, and the extent of utilisation in respect of each licence;

(iv) whether the stores covered by the application are required for the replacement of old stores or for expansion;

(v) whether the stores covered by the application are required for the implementation of any scheme (a brief summary to be given of the scheme, if any) sanctioned by any authority (to be named); and

(vi) whether and why the import of stores covered by the application (a) is considered urgent and inescapable, and (b) cannot be postponed.

A statement should be furnished giving particulars (number and date, description of stores and value) of other applications for import licences submitted by the institution during the licensing period covered by the application.

232. The institutions should also furnish the following additional information indicated against each :—

(a) By Educational institutions.—

(i) Whether the institution is recognised by any competent body such as an University or a Board, and if so, the name of the University or Board, etc., concerned.

(ii) Whether the institution forms a department or a constituent of affiliated institution of the University.

(iii) Whether the institution is managed by Government or some Corporation/Municipality, etc., (to be named), and if managed by Government, whether it is managed by the Central or a State Government.

(iv) The number of students on roll.

(v) The post-graduate courses conducted.

(vi) The number of students undergoing each post-graduate course.

(vii) Particulars of grants, if any, received from Central or State Government or the University Grants Commission, or any other body (to be named).

(b) By Research Institutions.—

(i) Whether the institution is managed by Government or some Corporation/Municipality, etc., (to be named); and if managed by Government, whether it is managed by the Central or a State Government;

(ii) whether the institution forms a department of a constituent or affiliated institution of the university;

(iii) number of research workers on roll;

(iv) subject on which research is conducted; and

(v) particulars of grants, if any, received from the Central or the State Government or the University Grants Commission or any other body (to be named).

233. Hospitals applying for import licences should furnish the following information :—

(i) whether the hospital is managed by Government or some Corporation/Municipality, etc., (to be named); and if managed by Government, whether it is managed by the Central or a State Government;

(ii) number of wards and beds in each ward;

(iii) particulars of grants, if any, received from the Central or the State Government or any other body (to be named);

(iv) an inventory of the major equipment and apparatus available with the applicant;

(v) whether the equipment proposed to be imported is new, complete or a major replacement; and

(vi) details of import licences obtained by the applicant during the last three licensing periods, indicating in each case the licensing period, the number and date of the licence, its value, brief description of goods and the imports effected.

234. **Indigenous clearance.**—Import applications will be considered from universities, institutions and hospitals only in respect of such items which have been cleared by the D.G.T.D. under the import policy in force. The sponsoring authorities should, therefore, obtain clearance from the D.G.T.D. before recommending the licence. In their recommendation, the sponsoring authorities should clearly indicate that clearance has been

obtained from the D.G.T.D. in respect of the items recommended for import. The number and date of the D.G.T.D.'s communication pertaining to the clearance given, should also be quoted.

235. **Application fees.**—(1) Hospitals owned by Central or a State Government are exempt from payment of application fees.

(2) Educational, charitable or missionary institutions applying for goods for their own consumption, are also exempt from payment of application fees.

236. **I.V.C. Number.**—The production of I.V.C. Registration/Exemption number has been dispensed with in the case of applications for licences from educational or charitable institutions which are exempt from payment of income-tax.

CHAPTER X

REPLACEMENT LICENCES

237. Replacement licences or Customs Clearance Permits for the import of goods to replace those which are short-supplied, short-landed, lost or damaged in transit or those found defective or otherwise unfit for use after import, will be granted in terms of the provisions contained in the succeeding paragraphs.

Short-shipment, short-landing or loss in transit before import

238. Where the import of goods would have been covered by a valid licence if they had in fact arrived, but are short-supplied, short-landed or lost in transit prior to actual import, and are detected as such at the time of clearance through Customs, no fresh licence would be issued to cover the goods supplied in replacement thereof, if the original licence is available for their import. If the original licence has expired, it may be revalidated to facilitate the import of such goods.

Loss or damage after import

239. (1) In cases where goods are lost or damaged after import, replacement licences may be issued by the licensing authority, but this provision will be applicable only when the loss or damage is caused on the docks after landing, provided the goods in question were covered by insurance policy at the time of such loss or damage. In such cases, the application for replacement licence may be considered on production of the following documents :—

(i) The insurance survey certificate issued by any authorised insurance surveyors to the effect that the goods were actually lost or damaged while on the docks after landing.

(ii) A certificate from the insurance company to the effect that they have accepted the claim for payment of Rupees———— (the amount to be specified) as the cost of the goods lost or damaged.

N.B.—Where it is confirmed by the insurers or their local agents that separate insurance survey has not been conducted and that the claim has been settled on the basis of survey conducted by the steamer agents, or on the basis of the certificate of examination by the Customs authorities, or the certificate of non-delivery issued by the Port Trust authorities, the licensing authority may accept such certificate/survey report issued by the steamer agents or Customs or Port Trust authorities in lieu of insurance survey certificate. However, if the survey report or the certificate produced by the applicant does not give specific details in regard to the loss or damage claimed, he may be asked to produce additional evidence such as correspondence exchanged with the carriers, insurers, and Port Trust authorities.

(2) In cases where an insurance policy has been taken from a non-resident insurance company, the replacement licence under sub-para. (1) above will be issued subject to the following condition :—

"The licence shall not be used for remittance abroad except with the prior, approval of the Reserve Bank of India."

(3) Where an insurance policy has been taken from an Indian company a replacement licence under sub-para. (1) above may be issued without the condition mentioned in sub-para. (2) above, provided the licensing authority is satisfied on the basis of evidence in the form of a certificate from the insurance company that the insurance policy in respect of the goods lost, damaged etc. had been issued by the company in India and the claim has been accepted for payment in Indian rupees.

Note.—It may be clarified here that under the Exchange Control Manual, Indian branches and agencies of Indian insurance companies whose head offices are outside the Indian Union are regarded for Exchange Control purposes as resident in India and are subject to the same regulations as companies registered in India. Therefore, it has been decided that insurance cover taken by the Indian importers with such Indian branches of the insurance companies incorporated abroad is to be treated as insurance placed with resident company in respect of which insurance claim will be settled in rupees locally.

(4) If the insurer settles the claim on the condition that the damaged/ defective goods shall be surrendered to him, the applicant will be required to surrender such goods to the insurer who settled the claim.

Goods found defective or unfit for use after import

240. (1) Goods supplied free of charge in replacement of those previously imported which have been found to be defective or otherwise unfit for use, would be allowed to be cleared under Open General Licence No. IV provided the conditions stipulated in the said Open General Licence are fulfilled. A copy of the Open General Licence No. IV, as amended, is given in Appendix 24 to this book.

(2) In cases involving import of goods free of charge, in replacement of those found defective or unfit for use after import, which are not covered by Open General Licence No. IV, the licensing authority may consider the application for replacement licence or Customs Clearance Permit, on production of the following documents :—

(i) Survey certificate issued by any authorised surveyors to the effect that the goods were actually received in defective condition and required replacement.

(ii) original evidence of acceptance by suppliers abroad to replace the defective goods free of charge.

N.B.—In cases where foreign exchange is required to cover further insurance and freight, the amount for which the Exchange Control copy of the licence should be made valid should be clearly indicated in the application for replacement licence.

(3) If the supplier accepts to replace the goods free of charge on the condition that the damaged goods or goods found otherwise unfit for use, shall be returned to him, the applicant will be required to return such goods to the supplier abroad. Also, the Exchange Control copy of the licence, if issued in such cases, will be valid for the remittance of foreign exchange required to cover further insurance and freight only, in respect of goods to be imported against the licence.

Replacement of machinery items

241. (1) In the case of machinery items, the defect in any part of the machine or its breakage cannot, in certain cases, be ascertained unless the machine or its part is installed (i.e., bolted to the ground) and put in operation. In such cases and also in cases involving replacement of goods, which are rendered defective after use during the guarantee period, if the supplier agrees to replace the defective or broken machine or its part free of charge, the application for replacement licence may be considered on production of the following documents :—

(i) Original evidence of acceptance by the foreign supplier to replace the goods in question, free of charge.

(ii) A certificate from a qualified engineer to the effect that the particular machine or part thereof, is considered unfit for use in the main plant etc., for which it was intended.

(iii) Original evidence showing the date of previous importation of machinery and the period of guarantee given by the foreign manufacturer/supplier.

Note : No application for replacement licence need be made under this provision, in cases covered by OGL IV.

(2) The Exchange Control copy of the replacement licence, if issued, in terms of the provision of this paragraph, will be valid for the remittance of foreign exchange required to cover further insurance and freight only.

(3) If the supplier accepts to replace the goods free of charge on the condition that the machine or its part, originally imported, shall be returned to him, the applicant will be required to return the machine or its part, originally imported, to the supplier abroad.

242. (a) In the case of machinery, if any part of the machine is found broken, lost or damaged upto the time of installation of the plant/machinery and such loss or damage or breakage, as the case may be, was covered by the marine insurance, the licensing authority may consider the application for the grant of replacement licence in such a case, provided the applicant produces the following evidence :—

(i) A certificate from the insurance company to the effect that they have accepted the claim for payment of Rs.—— (the amount to be specified) as the cost of goods found to have been lost, damaged or broken; and

(ii) Survey certificate issued by any authorised surveyors to the effect that the goods were actually found to be damaged, broken or lost. In lieu of such survey certificate, the licensing authority may also accept any other satisfactory evidence in support of the loss, damage or breakage noticed.

(b) The provisions of sub-paras (2) (3) and (4) of paragraph 239 above will apply in such cases also.

243. Applications for replacement licences or Customs Clearance Permits in cases which are not covered by the provisions of paragraphs 238 to 242 above, will be considered on analogous principles on merits by the licensing authorities concerned.

Procedure for submission of applications for replacement licences

244. (1) Application for replacement licence or Customs Clearance Permit should be made, complete in all respects, in the prescribed form (Form 'M') and should be sent to the licensing authority who had issued the licence against which the goods were originally imported. The application should be accompanied by :—

(i) treasury receipt showing the amount of application fee paid on the value applied for; and

(ii) documentary evidence considered necessary or required in terms of provisions of this book; or the relevant Import Trade Control Policy Book; or any Public Notice/Trade Notice, issued in this regard.

(2) The application for licence/revalidation of original licence should be made within a period of 60 days, after the short-shipment, short-landing, loss in transit or the defect in the imported goods is noticed; or within 60 days from the date the foreign supplier accepts to replace the goods free of charge, whichever date is later. In cases, where the importer has made a claim for the cost of such goods on the insurance company, he should make an application for replacement licence/revalidation of original licence within a period of 60 days after the claim has been accepted or settled by the insurance company.

(3) Application received after the prescribed period of 60 days will be liable to be rejected. But in deserving cases, the licensing authority may consider such application if received within 90 days instead of 60 days.

(4) Application for replacement of machinery or any part thereof should be made within a period of 90 days from the date of arrival of the machinery in the applicant's factory or godown, except in cases covered by the guarantee given by the foreign supplier/manufacturer for replacement of goods, rendered defective after use. In cases where the importer has made a claim for the cost of such goods on the insurance company, he should make an application for replacement licence within 60 days of the settlement of the claim by the insurance company.

(5) In the case of applications for replacement of machinery or parts thereof, the licensing authority may condone delay upto 60 days.

Replacement licences not to issue in certain cases

245. (1) Normally no replacement licences or Customs Clearance Permits will be issued in terms of these provisions in cases where, at the time of issue of the licence, the goods are not licensable to the class of importer concerned, according to the import policy in force. But in cases of genuine hardship, the licensing authority may issue the licence, if otherwise admissible, even in respect of goods which are not licensable to the class of importer concerned at the time of issue of the licence, provided the original import was made during the same licensing period in which the replacement licence is issued or during the immediately preceding period.

Note No. 1.—The date of original import for the purpose of this paragraph will also be the same as indicated in paragraph 35 of this book.

Note No. 2.—The restriction on the issue of replacement licences indicated in this paragraph will also apply to the requests for revalidation of licences being considered in terms of para 238 of this book.

(2) Where an importer accepts the damaged or defective goods on an allowance allowed to him either by the supplier or by the insurance company, the importer will not be entitled to the grant of replacement licence in respect of the goods so accepted.

CHAPTER XI

PERIOD OF VALIDITY AND REVALIDATION OF LICENCES

Period of validity

246. (1) The period of validity (i.e., the period of shipment/despatch) of import licences in respect of various items or categories of importers will be 12 months, unless otherwise provided.

(2) In the case of consolidated licences for raw materials, components and spares issued to actual users, the validity period of the licence will also be 12 months unless otherwise provided.

(3) The licences granted under the import policy for Registered Exporters will normally be valid for a period of 12 months.

(4) The initial period of validity of C.G./H.E.P. licences other than those against "tied credits" or foreign aid will be one year.

(5) The initial period of validity of licences for machine tools covered by C.G. scheme, will be the same as for licences.

(6) The initial period of validity of licences granted for the import of equipment for irrigation projects will be one year. Where documentary evidence is produced with the application for licence to show that firm order for the goods has been placed and accepted by the foreign suppliers, the licensing authority will issue such licences with a maximum validity period of three years.

(7) The period of validity of licences for the import of goods required to fulfil D.G.S. & D., Railway and Defence contracts, will be in accordance with the recommendation of the D.G.S. & D./Railway Liaison Officer/ Ministry of Defence.

(8) The initial validity period of a Customs Clearance Permit will be four months.

(9) The initial validity period in respect of emergency licences for import of spares issued to actual users, will be six months.

(10) The initial validity period in respect of replacement licences/ CCPs will be twelve months.

(11) The initial period of validity of import licences issued against various cerdits may vary according to the terms and conditions of the credit concerned.

Date of shipment/despatch

247. **Import by sea.**—In the case of shipments against import licences, made by sea, the date of shipment of goods will be determined by the date on the Bill of Lading which generally shows the date on which the goods have actually been loaded on the ship.

Note.—A Bill of Lading is a document for the carriage of goods and it is, therefore, a contract starting from the time when the goods are received on board the ship. When the goods are

actually placed on board the ship, the mate's receipt is issued which is a temporary receipt issued by an officer of the vessel on behalf of the mate. Bills of Lading are prepared from the mate's receipts and the Bills of Lading may or may not show the exact date on which the goods have actually been placed on the ship. Some times the Bills of Lading bear two endorsements namely (i) Received for shipment and (ii) Shipment in good condition and order. The dates stamped against the aforesaid two endorsements, at times, differ. In such cases, the date shown against the endorsement No. (ii) above, i.e., shipped in good condition and order, appearing on the Bill of Lading, will be accepted as the date of shipment. However, it will not be binding on the Customs authorities that this date should necessarily be accepted as the date of shipment. Where the Customs authorities have any doubt, it will be open to them to find out the actual date of shipment by other means, i.e., from the report of Chief Officer of the ship and tally report of the ship etc.

(2) **Imports by air.**—In the case of imports by air, the date of air consignment note will normally be taken as the date of despatch of the goods, provided this date represents the date on which goods are despatched from the last airport in the country.

Note.—In cases where a doubt is felt whether the goods have been placed on the aircraft on the date as given in the consignment note, it will be open to the Customs authorities to seek further information such as the actual date of departure of the plane, the time of stay at the foreign airport of loading etc., to determine the actual date of despatch.

(3) **Imports by post parcel.**—In the case of post parcels, the date stamp of the office of despatch shown on the packets or despatch note is considered as the date of despatch of foreign parcels.

(4) **Imports from land-locked countries.**—In the case of imports from land-locked countries, such as Czechoslovakia and Switzerland which have no sea port of their own, the date of shipment will be the date of actual despatch of the goods by rail or road or any other recognised mode of transport from the country of origin of the goods to the consignee in India on 'through consignment' basis.

Note No. I :—A through Bill of Lading tallying in all material particulars and giving evidence of no undue delay by halts or break of journey, will normally constitute sufficient proof of a 'through consignment'.

Note No. II :—This concession will be applicable only in the case of imports from land-locked countries and not from countries which have sea ports of their own. However, it has been represented that even though East Germany has ports capable of taking ships with deep sea drought but for certain specific difficulties she is not in a position now to induce ocean going freighters of other countries to call at her ports. Therefore, the date of issue of cross border certificate issued by the Ger-

man Democratic Republic may be taken as the 'date of shipment' in the case of imports from East Germany.

Validity of import licences to cover imports

248. (1) **Validity is related to date of shipment/despatch.**—The validity of an import licence is decided with reference to the date of actual shipment/despatch of the goods from the supplying country and not the date of arrival of the goods at an Indian port. If the goods are shipped or despatched within the period of validity of the licence, they will be allowed to be cleared even if they arrive at an Indian port after the expiry of the licence, if the import is otherwise covered by the licence. On the other hand, if the goods are shipped or despatched before the date on which the licence is issued, the import will be treated as unauthorised even though the importer holds a licence on the date of arrival of goods, at an Indian port. Similarly, the goods shipped or despatched after the expiry of the period of validity of the licence will also be unauthorised. Importers should, therefore, see and satisfy themselves that they hold a valid licence on the date on which the goods sought to be imported are shipped/despatched by the suppliers.

(2) Where the date of expiry of an import licence falls before the last date of a month, the licence will automatically be valid to cover shipment made upto the end of that month. Also, in calculating the period of validity of a licence the date of issue of the licence is excluded. For instance, if a licence is issued on 10th November, 1968, and is valid for 12 months, it will normally expire on 10th November, 1969, but in accordance with the provisions of this paragraph, such licence will be treated as valid upto 30th November, 1969.

(3) In cases where the goods are shipped or despatched before the date of issue of the licence or after its expiry, the imports will be treated as unauthorised by the Customs authorities and the Import Trade Control authorities will not entertain any representation in this regard.

Grace period

249. (1) In order to facilitate shipments/despatch of goods against licences, a grace period not exceeding 30 days is allowed after the date on which the licence expires. In the case illustrated in sub-para 248 (2) above, the period of grace will commence from the 1st December, 1969, and the licence will be completely 'dead' on the 31st December, 1969.

(2) The grace period of 30 days will also be available in the case of Customs Clearance Permits.

(3) The importers can also avail of the grace period of 30 days in the case of revalidated licences.

(4) The grace period cannot be claimed as a matter of right and no letter of credit should be opened or order placed against the licence during the period of grace.

(5) The grace period will not be available in the case of licences issued against foreign credits where it is not possible for the licensee to make use of this facility on account of a specific date for shipment/despatch of goods stipulated in the conditions applicable to the relevant credit.

(6) On certain occasions such as dockyard strike in the country of shipment when the importers face genuine difficulties and the goods cannot be shipped in time, the licensing authority may, by a general authorisation, extend the period of validity of any licence on an *ad-hoc* basis for a specified period. Such extension, where granted, will be in the nature of enhanced grace period and the importers will not be entitled to open any letter of credit or place orders for the supply of goods during such extension. It may be clarified that if such enhanced grace period is more than 30 days, the licensee cannot separately avail of the normal grace period of 30 days under sub-para (1) of this paragraph.

Revalidation of licences

250. (1) **Application for revalidation.**—A form of application for revalidation of licences has been introduced. The prescribed form appears in Appendix 3 to this book. All requests for revalidation of licences whether from actual users, established importers or others should be made in the prescribed form. While applying for revalidation, the applicants should specifically indicate the amount for which firm and irrevocable commitment has been made and the amount which has been utilised during the initial period of validity including period of revalidation already availed of, if any, in the appropriate columns of the prescribed application form.

(2) **Actual users.**—Requests for revalidation of actual user licences will be considered on merits by a licensing authority where such authority is satisfied that the request for revalidation is based on genuine difficulty and the refusal to grant extension will cause hardship or loss to the licence holder. In deserving cases, licences may be extended by a period not exceeding six months, provided such revalidation is otherwise allowed in terms of the relevant import policy.

Note : Actual user licences for raw materials, components and spares will not be revalidated beyond six months and such requests will be summarily rejected.

(3) **Established importers.**—Requests for revalidation of established importer licences will be considered by a licensing authority on merits where such authority is satisfied that the licence holder had taken all possible measures to effect shipment/despatch within the validity period of the licence in question but shipment/despatch could not be effected for reasons beyond his control. In deserving cases, licences may be extended by a period not exceeding three months.

(4) **C.G./HEP.**—(a) C.G./H.E.P. licences will be issued subject to the condition that the licensee shall be required to place firm order on the foreign supplier within 4 months from the date of issue of the licence. If a licensee fails to place firm order on the foreign supplier within 4 months, his request for extending this period of 4 months by another 3 months may be considered by the licensing authority, on merits, if the said authority is satisfied that the licensee was unable to place firm order within the stipulated period of 4 months for valid reasons, and that a refusal to grant further time for placing firm order will cause genuine hardship.

(b) In the case of C.G./H.E.P. licences other than those against tied credits, the licensing authority will grant an extension of one year, upon request, provided such authority is satisfied that a firm order has been placed

and accepted by the foreign supplier during the initial period of validity of the licence or during such period as has been specifiged in the licence for this purpose, whichever is less, but shipment could not be effected within that period. Normally extension beyond the overall validity period of two years is not granted but, in cases of special difficulty, the requests for re-validation beyond this period may also be considered in consultation with the sponsoring authority concerned having regard to the delivery period of goods.

(c) In the case of C.G./H.E.P. licences, other than those against tied credits, if the licensee fails to place firm order on the foreign supplier, or the foreign supplier has not accepted the order, during the initial period of validity of one year, or during such period as has been specified in the licence for this purpose, whichever is less, the request for allowing a further period of three months for placement of firm orders, may be considered by the licensing authority on merits. If the licensee fails to place firm order in the extended period, or the foreign supplier has not accepted the order, requests for allowing further time for placement of firm order may be considered on merits in consultation with the sponsoring authority concerned, but, in such cases, the licensing authority may exclude from the licence the items available from indigenous sources, before further time is granted. Requests for extension of time for placement of firm order upto a period beyond two years from the date of issue of the licence, will not be considered. But, if a firm order has been placed and accepted by the foreign supplier within the extended period, the licensing authority may consider request for further extension of validity period of the licence as provided in sub-clause (b) of this sub-paragraph.

(d) In the case of C.G./H.E.P. licences issued against tied credits, if a firm order has been placed and accepted by the foreign supplier within the initial validity period of the licence, or within such time as has been spcified in the licence for this purpose, whichever is less, and as per terms and conditions of the credit against which the licence is issued, the licensing authority may consider request for extension of validity period of the licence on merits, having regard to the delivery period of goods and the terms and conditions of the credit against which the licence is issued.

(e) In the case of C.G./H.E.P. licences issued against tied credits, if the licensee fails to place firm order within the initial validity period of the licence, or within such period as has been specified in the licence for this purpose, whichever is less, or the foreign supplier has not accepted the order within the same period, and as per terms and conditions of the credit against which the licence is issued, the licensing authority may consider on merits request for allowing a further period of three months to enable the licensee to place order subject to the terms and conditions of the relevant credit. If the licensee fails to place firm order in the extended period, or the foreign supplier has not accepted the order, requests for allowing further time for placement of firm order may be considered in consultation with the sponsoring authority concerned but in such cases, the licensing authority may exclude from the licence the items available from indigenous sources, before further time is granted. Requests for extension of time for placement of firm order upto a period beyond two years from the date of issue of the licence, will not be considered. But if a firm order has been placed and accepted by the foreign supplier during the extended period, and as per terms and conditions of the relevant credit against which the licence

is issued, the request for further revalidation of the licence may be considered by the licensing authority, as provided in sub-clause (b) of this sub-paragraph.

(f) Requests for revalidation of licences for import of plant and machinery issued to actual users, under the import policy for registered exporters will also be dealt with in accordance with the provisions of this sub-para.

(5) **Registered exporters.**—In the case of licences for raw materials, components and spares granted under the import policy for registered Exporters, the period of validity may be extended for a period not exceeding six months, as in the case of actual users. Requests for revalidation beyond six months will be summarily rejected.

(6) **Irrigation projects.**—The licences for the import of equipment for irrigation projects will be extended to a maximum period of three years on production of documentary evidence to show that firm order has been placed and accepted by the foreign supplier provided the licence in question was initialy issued with a validity period of one year. Where the licence has already been issued with a maximum validity period of three years as provided in para 246(6) of this chapter, normally, further extension will not be granted.

(7) **D.G.S. & D./Railway/Defence contracts.**—Licences issued against the D.G.S. & D./Railway/Defence contracts will be revalidated on the recommendation of the D.G.S. & D./Railway Liaison Officer/Ministry Defence, as the case may be.

(8) **Technical Institutions.**—The period of validity in respect of licences granted to universities, educational institutions, research organisations, technical/technological institutions and hospitals, may be extended, upon request, depending upon the merits of each case.

(9) **C.C.P.**—A Customs Clearance Permit may be revalidated upto a period of two months. Requests for revalidation beyond two months but upto five months, viz., for an overall period of nine months including the period of revalidation, may also be considered on merits in case of real hardship. A C.C.P. issued for import of replacement consignment may be revalidated for a period upto six months.

(10) **Emergency licences for spares.**—The period of validity in respect of emergency licences for spares, issued to actual users, will not be extended.

(11) In cases not covered by sub-paras. (1) to (9) above, no revalidation of licences will ordinarily be allowed. But in case of genuine difficulty, the licensing authority may grant extension for a short period on merits.

(12) Revalidation of an import licence allowed by a licensing authority may be subject to such conditions or restrictions as such authority may impose.

Licensing authorities to whom applications for revalidation should be made.

251. (1) Subject to the additional facility as provided in sub-paragraphs (2) and (3) below, the request for revalidation of a licence should be made to the licensing authority who issued the licence.

(2) The requests for revalidation of actual user licences, established importers licences, licences granted under the import policy for Registered exporters and Customs Clearance Permits, issued by any licensing authority, will be entertained by all the regional licensing authorities.

(3) In the case of C.G./H.E.P. licences, other than those issued against tied credits, the requests for revalidation upto one year will also be entertained by all the regional licensing authorities, provided firm order has been placed and accepted within the initial validity period of the licence. Requests for revalidation beyond this period should be made to the licensing authority who issued the licence.

(4) Requests for revalidation of import licences issued against foreign credits will be considered by the licensing authority who issued the licence.

252. (1) **Applications for revalidation to be made in time.**—The requests for revalidation of licences should be made within the validity period of the licence. However, in cases of specific hardship, the licensing authority may condone the delay in the submission of the application for revalidation where such authority is satisfied that the delay in making the application for revalidation was due to circumstances beyond the control of the licensee.

(2) **Date from which revalidation will take effect.**—(a) Revalidation, where allowed, will be from the date of expiry of the licence when such licence is presented for revalidation before its expiry.

(b) In cases where the licence is presented for revalidation after the date of expiry, the revalidation, where allowed, will be from the date on which the application for revalidation is made, and the licensing authority will make a specific endorsement on the licence to this effect.

(c) Notwithstanding the provisions of sub-para (b) above, a licensing authority may in cases of special difficulty, allow revalidation from the date of expiry of the licence, even if the licence in question is presented for revalidation after its expiry.

CHAPTER XII

APPEALS

253. When a person is not satisfied with the decision of a licensing authority, he may make an appeal against the said decision in accordance with the provisions hereinafter stated.

254. **First Appeal.**—(1) In respect of an application for import licence, an appeal, in the first instance, will lie with the head of the office in which the application was dealt with. However, in the case of an application dealt with in the Licensing Division at the Headquarters Office of the Chief Controller of Imports and Exports, New Delhi, the first appeal with the Joint Chief Controller of Imports and Exports (Headquarters Licensing Division) in the Office of the Chief Controller of Imports and Exports, New Delhi. The first appeals in regard to the applications dealt with in the Import Trade Control offices at (i) Visakhapatnam, Pondicherry and Bangalore, (ii) Rajkot and New Kandla, (iii) Amirtsar and Srinagar/Jammu and (iv) Shillong, will be with the Joint Chief Controller of Imports and Exports at Madras, Bombay, New Delhi, (C.L.A.) and Calcutta, respectively.

(2) The first appeal against the decisions of a licensing authority in respect of an application made under the policy for registered exporters, will lie with the head of the office in which the application was dealt with. However, first appeals in respect of applications dealt with by Controller of Imports and Exports, Srinagar/Jammu will lie with the Joint Chief Controller of Imports & Exports, (C.L.A.), New Delhi.

(3) In the case of an application for recognition of new established importers and transfer of quotas, the first appeal will lie with the head of the office in which the application was dealt with.

(4) The first appeals in regard to applications dealt with in the Office of the Deputy Iron and Steel Controller, Bombay, will lie with the head of that Office. In respect of applications dealt with by other Iron and Steel Control licensing authorities, the first appeals will lie with the Joint Chief Controller of Imports and Exports, in the respective region.

(5) The first appeal under this paragraph should be made so as to reach the authority concerned within 45 days from the date of the order appealed against. No fees shall be charged on a first appeal.

255. **Second Appeal.**—(1) If the appellant is not satisfied with the decision of the appellate authority as indicated in paragraph 254 above, he may make a second appeal to the Chief Controller of Imports and Exports, New Delhi (Appeals Wing).

(2) A separate section has been set up in the Office of the Chief Controller of Imports and Exports, New Delhi, to deal with second appeals from registered exporters pertaining to their applications made under the import policy for registered exporters. Such appeals should, therefore, be addressed to the Chief Controller of Imports and Exports, New Delhi (REP Appeals) within a period of 45 days from the date of the order appealed against.

(3) The second appeal in respect of other applications should be made so as to reach the Chief Controller of Imports and Exports, New Delhi (Appeals Wing) within a period of 45 days from the date of the order appealed against.

(4) The second appeal should be accompanied by a treasury receipt of Rs. 5/- towards payment of appeal fee deposited in cash at any Government Treasury or the office of the State Bank of India or the Reserve Bank of India for credit to the Central Government under the head "Import Licence Application Fees" subordinate to the major head "XXXII Miscellaneous, Social and Development Organisations".

256. **Opportunity of hearing to the appellants.**—(1) If an appellant desires to be heard in person in connection with his appeal, he should say so specifically in his appeal. In such cases, an opportunity of hearing will be afforded to the appellant. If the appellant does not avail of the opportunity given to him, the appeal will be decided on the basis of the material available.

(2) Every effort will be made to dispose of an appeal within 45 days of its receipt. If an appellant does not receive a reply to his 'first' or 'second' appeal within this time-limit, he should bring the matter to the notice of the Public Relations Officer in the Import Trade Control office concerned, or book an interview with the officer concerned through the Enquiry Officer, in order to know the reasons for the delay in the disposal of his appeal.

257. **Documents to be submitted along with appeal.**—(1) The 'first' appeal should be accompanied by a copy of the decision against which the appeal is made and a *proforma* giving the following particulars :—

(a) Name and address of the appellant.

(b) Category of importer.

(c) Licensing period in respect of which the appeal is made.

(d) Licensing authority against whose decision appeal is made.

(e) Brief description of goods.

(f) Serial No. and Part of the I.T.C. Schedule in respect of the goods in question.

(g) A copy of the decision against which the appeal is made.

(h) A brief statement indicating the reasons for which the application/first appeal has been rejected.

(i) A brief statement of the grounds of appeal.

(2) The 'second' appeal should be accompanied by the following documents :—

(i) A copy of the decision against which the appeal is made.

(ii) A copy of the original application.

(iii) The original documents forwarded with the original application, if the appeal is based on a point of fact. In case the said documents have been retained by the licensing authority, copies thereof, duly authenticated, should be produced.

(iv) Any other documents relied upon in support of the contentions raised in the appeal.

(v) A proforma giving the particulars as referred to in sub-para-(1) of this paragraph.

258. An appeal made under these provisions will be liable to be summarily rejected if it is not received by the appellate authority concerned within the prescribed period.

259. A copy of the first appeal made to the Joint Chief Controllers of Imports and Exports at Madras/Bombay/New Delhi (CLA)/Calcutta, as the case may be, against the decision of the Import Trade Control Officers at Visakhapatnam, Pondicherry, Bangalore, Rajkot, New Kandla, Amritsar, Srinagar and Shillong should be endorsed to the authority concerned against whose decision the appeal is made. Similarly a copy of the second appeal addressed to the Chief Controller of Imports and Exports, New Delhi, should be endorsed to the authority against whose decision the appeal is made.

260. An application for review of the decision on a second appeal will also be entertained by the Chief Controller of Imports and Exports, New Delhi. Such application should be made within 45 days of the date of the communication containing the decision sought to be reviewed. After an application for review has been disposed of, no further request for review will be entertained and no reply will be sent to any such communication.

CHAPTER XIII

LETTER OF AUTHORITY

261. Under the Imports (Control) Order, 1955, dated 7-12-1955, as amended, no import licence can be transferred or acquired except under and in accordance with the written permission of the licensing authority or any other officer authorised in this behalf. Therefore, in cases where no such permission is granted, only the licensee is authorised to operate upon the licence issued to him, i.e. to place an order on the foreign supplier, to open a letter of credit, to make remittances of foreign exchange against the exchange control copy of the licence and to perform all other functions for the utilisation of the licence.

262. With a view to falling in line with the ordinary trade practice and, at the same time, in order to exercise a proper check over the transfer of import licences, the licensing authority may authorise any person or concern to operate upon a licence on behalf of the licensee in accordance with the provisions stated below.

263. A licence who desires another part to indent the goods from abroad or open a letter of credit or make remittances or to import the goods on his behalf against any particular licence issued to him, should apply for a letter of authority in favour of such party in respect of that licence. Such application should be made to the licensing authority who issued the licence. However, in the case of licences other than those issued under foreign credits/loans, the application for the grant of letter of authority can be made to any regional licensing authority also. In respect of licences issued for import from rupee payment are also, the request for the issue of letters of authority will be entertained by any regional licensing authority. A specimen form of letter of authority is given in Appendix 25.

264. It may be clarified that a letter of authority issued in respect of a licence granted on annual basis will enable the holder of the letter of authority to operate upon both the halves of the value of the licence in terms of the policy in force and the conditions applicable to the licence, and it will not be necessary for the licensee to obtain a separate letter of authority in favour of the same person for the second half of the value of the annual licence.

265. A letter of authority cannot be claimed as a matter of right It will be granted only in respect of those licences where the licensing authority is satisfied that for genuine and *bona fide* reasons, the licensee is not himself in a position to operate on the licence. The licensing authority may also refuse to grant a letter of authority in favour of a person (or concern) who is, for the time being, subject to any action under Clause 8 or 8A of the Imports (Control) Order or the Exports (Control) Order.

266. (1) **Declaration to be furnished by the applicant.**—The application for a letter of authority should be accompanied by a declaration from the licensee stating that he has neither applied for nor obtained letter of authority in respect of the same licence from any other licensing authority. In

cases where an application for a letter of authority has already been made or a letter of authority has already been obtained from any licensing authority in respect of a part value of the licence, it should be clearly stated in the declaration that the letter of authority already applied for or obtained does not cover the value for which a letter of authority is now desired. The reason for which the licensee cannot import the goods direct should also be explained in the declaration.

(2) The licensing authority may call for any other document/information for considering the request for the grant of a letter of authority.

267. (1) **Functions of the holder of letter of authority.**—A person or concern in whose favour a letter of authority is issued by a licensing authority in respect of an import licence, will act as the licensee's agent so far as the particular import licence is concerned.

(2) The functions of the holder of a letter of authority will be limited, namely, to operate upon the licence in question, i.e., to place an order, to open a letter of credit, to make remittances, to import the goods and clear the same through the Customs, on behalf of the licensee. The letter of authority holder can also apply, on behalf of the licensee, for revalidation of the licence. But he cannot make an application for any amendment in the licence or for the grant of a duplicate copy of the licence.

268. (1) **Conditions of letter of authority.**—A letter of authority issued under these provisions shall be deemed to have been issued subject to the following conditions :—

(i) the person or concern in whose favour the letter of authority is issued will act only as an agent of the licensee and the goods imported shall be the property of the licensee both at the time of clearance through the Customs and subsequent thereto. The licensee will have to ensure that the goods, on importation, will be delivered to him and shall not be disposed of otherwise. The licensee shall not cause or permit the holder of letter of authority to dispose of the goods. If the licensee fails to take delivery of the imported goods within three months from the date of clearance through the Customs authorities, he shall inform the licensing authority concerned explaining the reasons for the same.

(ii) the holder of the letter of authority shall clearly indicate on all the relevant Customs documents including the triplicate copy of the Customs Bill of Entry that the goods have been imported by him on behalf of the licensee. This endorsement will be duly attested by the Customs authorities.

(iii) the holder of the letter of authority shall not, under any circumstances, be entitled to any quota licence or quota certificate on the basis of such imports.

(2) If, for any reason, the licensee has not been able to take delivery of the imported goods from the holder of the letter of authority and the licensing authority is satisfied that the goods, in question, will not serve the purpose for which the import was allowed, it may initiate action in respect of such goods under Clause 10-C of the Imports (Control) Order, 1955, dated the 7th December, 1955, as amended.

269. **Licences issued to agencies owned or controlled by Government.**— The Imports (Control) Order, 1955, has been amended to the effect that the conditions under items (i) and (ii) of sub-clause (3) of clause 5 of the said Order shall not apply to the licences issued to the State Trading Corporation of India, the Minerals and Metals Trading Corporation of India and other similar institutions or agencies owned or controlled by the Government. It may, however, be clarified that even in respect of licences issued to such agencies, a letter of authority from the licensing authority will be necessary if the licence is to be operated upon by a person other than the licensee. But such letter of authority will be subject to such terms and conditions as may be settled between the licensee and the party concerned.

270. **Imports by Export Houses.**—(1) If an actual user desires to import goods against his licence for raw materials, components and spare parts through a recognised merchandising Export House, it will not be necessary for him to obtain a letter of authority in favour of such Export House. In such a case, the Export House can act as an indenting house and import the goods on behalf of the licensee, without obtaining prior permission of the licensing authority. The functions performed by the Export House in operating upon the licence shall, however, be subject to the same conditions as are applicable to the grant of letter of authority in terms of paragraphs 267 and 268 of this chapter.

(2) It shall not be open to a licence holder to import goods against the same licence through two different recognised merchandising Export Houses.

(3) The Export House operating upon a licence under this provision shall be required to produce evidence before the Customs authorities and the authorised dealers in foreign exchange in support of its having been recognised as a merchandising Export House by the Chief Controller of Imports and Exports, New Delhi for this purpose for the period during which it has operated upon the licence in question.

271. **Imports through Public Sector agencies.**—(1) If an actual user desires to import goods against his licence for raw materials, components and spare parts through State Trading Corporation of India, or the Minerals & Metals Trading Corporation of India or any other similar institution or agency owned or controlled by Government, it will not be necessary for him to obtain a letter of authority in favour of such an agency. In such a case, the said agency can act as an indenting house and import goods on behalf of the licence holder without obtaining permission of the licensing authority. The functions performed by the said agency in operating upon the licence shall, however, be subject to the same conditions as are applicable to the grant of letter of authority in terms of paragraphs 267 and 268 of this Chapter.

(2) It shall not be open to an actual user to import goods against the same licence through two different agencies under this provision.

CHAPTER XIV

EXEMPTIONS FROM I.T.C. RESTRICTIONS

272. No licence is required for the import of goods mentioned under the 'Savings' in Clause 11 of the Imports (Control) Order, 1955 dated the 7th December, 1955, as amended.

273. In terms of saving (i) of sub-clause (1) of the aforesaid clause 11 of the Imports (Control) Order, 1955, executive instructions have been issued to the Customs authorities to exempt the import of goods from the Import Trade Control restrictions, in the following types of cases :—

Bonding of exposed cinematographic films

(a) Exposed films imported and allowed to be bonded for preview or censorship or re-export under the C.B.R. letter No. 16(13)/58-Cus.V, dated the 11th September, 1958, may be exempted from I.T.C. restrictions.

Import of emerald and other precious stones on approval basis— examination of contents before clearance

(b) (1) The emeralds and other precious stones imported by sea or air (otherwise than by post) and bonded on arrival for the purpose of inspection may be exempted from I.T.C. restrictions. Such quantities of goods as are approved after inspection may be allowed to be cleared against valid licences.

(2) This facility is not available in the case of imports of emeralds and precious stones by post parcel. Under the Universal Postal Convention, a parcel cannot be split up into two i.e., one part to be retained and the other part to be returned to the sender. The contents of the post parcels can, therefore, either be accepted or rejected in toto. However, the importer or his agent will be given facilities to inspect the contents of such post parcels under Customs' supervision, if the addressee so desires. The inspection will be allowed at the time and date specified by the Customs authorities. If the importer does not turn up for inspection at the appointed time and date, the parcel will be returned to the sender. If the importer accepts the parcel, he can secure its clearance against a valid licence and the value of the parcel as a whole will be debited to the licence, and the debit once raised against the licence will not be revoked.

Transfer of ship stores in cases where the vessels engaged on foreign trade are transferred to coastal trade

(c) In cases where the vessels engaged on foreign trade are transferred to coastal trade, the consumable stores on board the ship are allowed to be transferred with the vessel on payment of Customs duty. Such transfer of stores will be exempt from I.T.C. restrictions.

Import of advertisement blocks

(d) Certain foreign concerns buy advertisement space in the Indian press and for that purpose, send blocks to India. These blocks are intended

to be destroyed after the relevant number of insertions have appeared. It has been represented that newspaper establishments are experiencing difficulty in clearing these advertisement blocks. As these blocks are imported free of charge and the related advertisements bring in foreign exchange, the consignment containing advertisement blocks supplied free of charge, will be allowed to be cleared without import licences provided the value of the consignment does not exceed Rs. 800.

Import of goods by post for personal use by individuals or for use by any institution or hospital—Extension of the concession to air freight parcels

(e) Under sub-paragraph (gg) of sub-clause (1) of Clause 11 of the Imports (Control) Order, 1955, import of goods by post for personal use of an individual or for use by an institution or hospital, is allowed without I.T.C. restrictions subject to certain limitations/conditions. This provision has also been extended to air freight parcels for the import of such goods by an individual for his personal use or by any institution or hospital for its own use, subject to the same limitations/conditions. It may be clarified that the value limits given in the said sub-paragraph (gg) of the Imports (Control) Order are in c.i.f. terms and will, therefore, be inclusive of freight in the case of air parcels also.

Import of goods by post or air freight for professional use by the individual

(f) The provisions mentioned in sub-para (e) above will also apply to the import of such goods by post or by air freight parcels for professional use by an individual. It should be ensured that the goods so imported are for the use of the importer in his professional capacity only and not for commercial purposes.

Import of certain goods by post or air freight for use by institutions and not for re-sale

(g) (1) The provisions mentioned in sub-para (e) above also apply to the import of such goods by post or by air freight parcels, for use by institutions and not for resale. This will include import of goods meant for rituals sent to Missionary Societies, records coming to the All India Radio, scientific instruments coming to educational institutions and others, where the principle of personal use would apply except that the user is not an individual but an institution. It may be clarified that the provisions of sub-clause 11(1) (gg) of the Imports (Control) Order, 1955 do not cover imports of trade consignments. Also, the term 'institution' referred to in the aforesaid sub-clause includes only the educational, vocational, agricultural, medical, technical, technological and research institutions. Commercial and industrial concerns do not fall in the category of institutions.

(2) This concession does not apply to factories but where a factory has to import raw materials or spare parts by air urgently without waiting to obtain an import licence with a view to avoid any breakdown and where the facts are clear, such cases will be dealt with leniently by Collectors of Customs in their discretion.

Payments for goods imported under sub-clause 11(1)(gg) of the Imports (Control) Order

(h) It has been provided in sub-clause 11(1)(gg) of the Imports (Control) Order, 1955, as amended, that payments in respect of goods imported under the aforesaid sub-clause, other than those received as gifts, will be remittable through authorised dealers in foreign exchange with the permission of the Reserve Bank of India. In connection with this provision, the following points are clarified :—

(a) The aforesaid sub-clause does not cover import of a gift parcel in respect of which the payment is made out of foreign currency account maintained abroad by the recipient of the gift.

(b) Persons holding foreign currency accounts abroad, which can be operated upon with the permission of the Reserve Bank of India, can pay out of such funds in respect of goods imported under the aforesaid sub-clause, if otherwise admissible, only with the permission of the Reserve Bank of India.

Facilities for importation of commercial samples and advertising material

(i) The Government of India have acceded to the International Convention to facilitate the importation of commercial samples and advertising materials, which has been incorporated as item 44(5)(a) of the Indian Customs Tariff. Under this item, samples of goods which are exempt from import duties under and in accordance with the said International Convention drawn up at Geneva on the 7th November, 1952 are allowed clearance free of duty and without Import Trade Control restrictions. Full details can, however, be ascertained from the Collectors of Customs in India.

Gifts of food-stuffs, medicines and clothes

(j) Food parcels sent to India from abroad as gifts may be allowed clearance without I.T.C. restrictions.

(k) The articles such as food-stuffs, medicines, clothing and blankets imported into India by any charitable organisation or any individual as free gifts from any philanthropic organisation or individual abroad for free distribution to the poor and the needy without any distinction of caste, creed or race, may be exempt from the I.T.C. restrictions, provided such imports are exempt from Customs duties leviable thereon, in terms of the Government of India Notification No. 84-Customs, dated the 13th August 1960, as in force. The intending importer should approach the collector of customs of the port of import for the grant of duty concession before importing the goods.

(l) Food-stuffs and provisions (excluding fruit products, alcohol and tobacco) imported by a person residing in India, but not being a citizen of India, will be exempt from I.T.C. restrictions provided (i) these are exempt from Customs duty leviable thereon in terms of the Government of India Notification No. 135-Customs, dated the 20th June 1966 as in force and (ii) the c.i.f. value of foodstuffs and provisions, so imported, by a person does not exceed, in a year, Rs. 800/- in the case of a person having no dependent relative living with him, and Rs. 1,600/- in the case of a person having a dependent relative living with him.

Gifts to Indian Red Cross

(m) Goods received by Indian Red Cross Society as free gifts from abroad, will be exempt from I.T.C. restrictions, provided such goods are exempt from Customs duty.

Imports for International Children's Competition

(n) The Children's Book Trust, New Delhi-1, has been conducting children's competition in paintings and writing (in English only), known as 'Shankar's International Children's Competition'. The competition is held every year. The entries for the competition, i.e., children's paintings, are received from foreign participant children. These paintings have no commercial value. It has been decided that import of children's paintings addressed to the Children's Book Trust, Nchru House, 4, Bahadur Shah Zafar Marg, New Delhi-1, may be allowed clearanee without Customs clearance permits.

Import of samples by exporters

(o) Samples imported by exporters for export promotion purposes, will be exempt from I.T.C. restrictions, if such samples are imported against the blanket release of foreign exchange provided by the Reserve Bank of India for travel abroad.

Import of relief supplies and packages as free gifts under the Agreements concluded by the Government of India with foreign Governments

(p) Import of relief supplies and packages, received as free gifts, in respect of goods covered by an Agreement, entered into by the Government of India with a foreign Government, will be exempt from I.T.C. restrictions, provided such goods are also exempt from Customs duty, and their import is made by a Government agency or any other approved agency, in accordance with the terms and conditions laid down in the Agreement.

Imports under O.G.L. IV

274. (1) Under Open General Licence No. IV reproduced in Appendix 24 as amended, *bonafide* technical and trade samples or advertising matter excepting vegetable seeds falling under Serial No. 36 of Part IV of the I.T.C. Schedule and new drugs, can be imported without an import licence provided (a) they are supplied free of charge, (b) their c.i.f. value in one consignment does not exceed Rs. 800 in the case of technical and trade samples and Rs. 400 in the case of advertising matter, and (c) the samples or advertising materials thus imported shall not be sold by the importer. Under this concession, the Customs authorities may allow clearance, under Open General Licence No. IV of the permissible samples and advertising matter even if the importer concerned may have to pay for freight and insurance charges, provided the overall value of the samples or the advertising matter including freight and insurance charges, does not exceed the limits indicated above, in one consignment. In such an event, the Collector of Customs will suitably endorse the relative Bill of Entry to enable the importer to secure remittance facilities from the Reserve Bank of India in respect of the freight and insurance charges. It has been represented that, in certain cases, import of *bona fide* technical

and trade samples, has to be effected by air freight parcels to meet urgent requirements whereby the c.i.f. value of the consignment exceeds the prescribed limit of Rs. 800/-. It has been decided that in respect of such supplies of *bona fide* technical and trade samples made free of charge, if the foreign supplier also bears the expenses relating to insurance and air freight, the Customs authorities may allow clearance, provided the import is otherwise covered by O.G.L. IV. The imported bona fide technical and trade samples in such cases will not be held up on the ground that the total value thereof has exceeded the specified limit of Rs. 800/- on account of the extra freight paid on importing by air.

(2) A question has been raised whether several consignments of *bona fide* technical and trade samples or advertising matter for value not exceeding Rs. 800 in the case of technical and trade samples and Rs. 400 in the case of advertising matter in each consignment sent by the same supplier to the same consignee, and received by the same mail, should be treated as one consignment or different consignments, for purposes of clearance under O.G.L. IV. It has been decided that the import of several consignments in the manner indicate above, (although each consignment does not exceed the specified value limits), will tantamount to circumvention of ceiling placed for imports of *bona fide* trade and technical samples or advertising matter in one consignment and will not, therefore, qualify for the concession given in the O.G.L.

(3) Though the above O.G.L. does not specify any particular types of importers who are eligible to import the samples, it is clarified that only such importers as are connected with the production or commercial sale or distribution of goods are expected to be supplied with free samples/ advertising materials by the foreign suppliers. It has, therefore, been decided that importers who are not connected with the production or commercial sale or distribution will not be allowed the above concession. However, the Export Promotion Councils may be allowed the concession regarding the import of technical and trade samples under O.G.L. IV by the Customs authorities.

(4) It may be clarified that the Customs authorities will not allow an item sought to be imported as a trade sample under O.G.L. IV, if the import of such item is not permissible to actual users or established importers under the policy in force at the time of shipment of the item in question. The Customs authorities will also not allow an item sought to be imported as a technical sample if the importer is not engaged in the production of that item and is also not in a position to satisfy the Customs authorities that his schemes for the production of the item, in question, has been approved by the sponsoring authority concerned.

(5) O.G.L. IV also permits (a) the import of free gifts of books upto the value of Rs. 400/- in favour of individuals or institutions and (b) free gifts of books of certain types upto a value of Rs. 400/- in favour of industrial concerns. The import policy does not permit the import of books of undesirable types. Therefore, the Customs authorities will not allow import of undesirable types of books, under O.G.L. IV or under Sub-paragraph 11(1)(gg) of Imports (Control) Order, 1955. The importers should consult the relevant import policy for this purpose.

(6) O.G.L. IV permits import of blue-prints and drawings (including micro films which are photographic reductions thereof) relating to machinery and plant, sites, works and buildings, supplied free of charge and having no commercial value. It has been represented that, in certain cases, where exporters undertake large scale contracts and projects abroad, they have to import 'drawings' against tenders, for which payment to foreign suppliers is also involved. It has been decided that the Customs authorities may, in their discretion, allow clearance in such cases even if payment to foreign suppliers is involved, provided the c.i.f. value of the goods imported does not exceed Rs. 1,000/- and the import is otherwise covered by O.G.L. IV.

275. **Import of labels, price tickets and like articles for export products.**—(1) It has been represented that exporters are finding it difficult to clear packages of labels, price tickets and like articles which are supplied to them by foreign buyers to be attached to the goods which are exported against specific orders placed by them. The Collectors of Customs may, therefore, in their discretion, allow clearance of labels, price tickets and like articles, without I.T.C. restrictions, provided they are satisfied that article are required for *bona fide* use in connection with export orders and the value of articles imported at one time is less than Rs. 80.

(2) Where the value of the articles so imported is Rs. 80 or more, but not exceeding Rs. 800 and the Export Promotion Council concerned or the sponsoring authority with whom the importer has been registered as an exporter under the import policy for registered exporters, certifies the requirement of the importer based on the orders received by him from abroad, the Collector of Customs may, on the basis of such certification allow the imports in *bona fide* cases.

(3) Where the value of articles so imported is more than Rs. 800, the importer concerned should approach the licensing authority at the port and the grant of customs clearance permit in such cases will be considered by the licensing authority on merits in *bona fide* cases, after taking suitable bond from the importer that the goods covered by the Customs clearance permit will be utilised for export orders to be executed and the goods exported within a period of six months.

Imports by United Nations Organisations

276. Under saving (m) of sub-clause (1) of Clause 11 of the Imports (Control) Order, 1955, the imports of goods by officials of the United Nations Organisation and its specialised agencies who are exempt from payment of Customs duty under the United Nations (Privileges and Immunities) Act, 1947 will also be exempt from the Import Trade Control restrictions. This concession has been extended to the import of publications of the United Nations Organisation or its specialised agencies by their agents and such imports by the agents concerned would also be exempt from the I.T.C restrictions provided the imports are exempt from the Customs duty under the United Nations (Privileges and Immunities) Act, 1947 and the publications so imported are the property of U.N.O. or its specialised agency, as the case may be, at the time of importation.

Re-import of goods for removal of defects and subsequent re-export

277. The goods of Indian manufacture exported and received back by the manufacturer from consignee for repair and re-export are exempt from Import Trade Control restrictions, vide saving (1) in sub-clause (1) of Clause 11 of the Imports (Control) Order, 1955. It will be observed from the saving (1) that the re-import of the goods will be permitted provided that (i) the Customs authorities are satisfied with the *bona fide* of the case and (ii) in the case of goods other than those exempt from Customs duty on re-importation under Customs Notification No. 132, dated the 9th December 1961, a bond is executed by the importer with the Import Trade Control authority at the port concerned to the effect that the goods thus imported will be re-exported after repair within six months. In such cases where the Customs authorities are satisfied with the *bona-fides* of the case, they will refer the importer to the port licensing authority concerned for executing the necessary bond and release the goods after the bond is executed with the Import Trade Control authority. The Import Trade Control licensing authority will take a bond from the importer on stamp paper equal to the value of the goods and take further steps to ensure the compliance of the conditions of the bond. The bonds should be guaranteed by a Bank surety.

Passenger's baggage

278. (1) Under sub-paragraph of sub-clause (1) (g) of Clause 11 of the Imports (Control) Order, 1955, goods imported by a person as passenger's baggage are exempt from the necessity of an import licence subject to certain limitations/conditions, to the extent admissible under the Baggage Rules issued by the Central Board of Excise and Customs from time to time. It should, however, be noted that only such articles as are considered *bona fide* baggage under the Baggage Rules in force will be allowed to be imported without a licence under this provision. The Baggage Rules announced in the Central Board of Excise and Customs Notification No. 122, dated the 19th November, 1960 as amended by Notification No. 21, dated the 2nd February, 1963, and Notifications dated 23rd June, 1965, 9th June, 1966, 22nd July, 1966, 27th May, 1967, 1st March, 1969, 27th September 1969, 18th October, 1969, 6th December, 1969 and 21st March, 1970 are reproduced in Appendix 26 to this book. In this connection, certain other rules in force at present have also been included in the said Appendix.

(2) Applications for import of built-up cars, station wagons, jeeps, motor cycles, scooters, auto cycles, mini cars and mopeds are considered by the Chief Controller of Imports and Exports, New Delhi (Headquarters Licensing Division). The procedure of submission of such applications is given in Appendix 27.

National Defence Donations

279. By Customs Notifications Nos. 168-Customs, 169-Customs and 170-Customs all dated the 8th November, 1962, all articles donated to the National Defence Fund or to the Government of

India for use of the Defence personnel; and wool, woollen fabrics and woollen apparel donated to the Indian Red Cross, have been exempt from the payment of Customs duty. It has been decided that articles which are exempt from the payment of Customs duty in terms of the aforesaid Notifications, will also be exempt from Import Trade Control restrictions.

Imports by Hospitals

280. Imports in respect of certain goods, upto specified value limits, are allowed by hospitals in terms of sub-clause 11(2) of the Imports (Control) Order 1955, as amended. This facility will be available to hospitals, nursing homes and clinics, whether public or private, run on commercial basis or otherwise.

CHAPTER XV

BREACHES OF IMPORT TRADE CONTROL REGULATIONS

281. It is provided in Section 5 of the Imports and Exports (Control) Act, 1947, that, if any person contravenes or attempts to contravene or abets a contravention of any Order made or deemed to have been made under the said Act or any condition of a licence granted under any such Order, he shall, without prejudice to any confiscation or penalty to which he may be liable under the provisions of the Customs Act 1962, be punishable with imprisonment for a term which may extend to two years and also with fine, and, in the absence of special and adequate reasons to the contrary to be recorded in the judgment of the court, such punishment shall not be for less than six months.

282. In terms of the provisions contained in clauses 8 and 8A of the Imports (Control) Order, 1955, dated 7-12-1955, the Central Government and the C.C.I. & E, (which includes a J.C.C.I. & E. and a D.C.C.I. & E.) are empowered to debar a licensee or importer or any other person from obtaining licences for a specified period and to suspend the issue of licences to a licensee or importer any other person pending investigation into an allegation. These powers are also exercisable by Deputy Iron and Steel Controller in relation to the goods licensable by him viz iron and steel and ferro-alloy items. Importers and others concerned shoulld carefully read the Imports and Exports (Control) Act, 1947, and the Orders issued thereunder.

283. The following types of offences will *inter alia*, constitute breaches of Imports Trade Control regulations :—

(i) Applying for an import licence on the basis of false or fabricated or tampered with or forged essentiality certificate or recommendation of the State Director of Industries or the Directorate General of Technical Development or any other certifying or sponsoring authority, or obtaining such certificate or recommendation by misrepresentation or fraud.

(ii) Applying for an import licence on the basis of false or fabricated or tampered with or forged quota certificate or obtaining such quota certificate by misrepresentation or fraud or on the basis of documents which are false or fabricated or forged or tampered with.

(iii) Applying for an import licence by concealing the change, if anv. in the ownership, constitution or name of the business.

(iv) Applying for an import licence on the basis of Bill of Entry or any other document(s) which pertain to unauthorised imports and where the fact of unauthorization has been concealed or withheld.

(v) Applying for an import licence on the basis of a certificate of an auditor or a chartered accountant or any other document which is false or fabricated or forged or tampered with or

which has been obtained by misrepresentation and improper means.

(vi) Applying for an import licence on the basis of false or fabricated or tampered with or forged order purported to have been placed by a Government Department for the supply of goods sought to be imported.

(vii) Applying for an import licence on the basis of a wrong or invalid Income-tax Verification Registration/Exemption number or obtaining such number on the basis of false or fabricated or tampered with or forged Income-tax clearance Certificate or if such certificate has been obtained from the Income-tax authorities by misrepresentation and improper means.

(viii) Applying for an import licence on the basis of past imports which do not qualify for establishment/refixation of quota in terms of the policy in force.

(ix) Applying for more than one import licence for the import of the same goods during the same licensing period on the basis of past imports made during different financial years.

(x) Applying for licences separately in the names of different branches of the same concern for the same goods on the basis of imports falling in different basic years, unless otherwise provided.

(xi) Applying for more than one import licence for the import of the same goods during the same licensing period on the basis of different documents pertaining to past imports made during the same financial year.

(xii) Applying for an import licence in more than one capacity i.e., as an established importer and actual user where the applicant is not entitled to a licence in both the capacities in terms of the provisions of this book or the policy in force.

(xiii) Applying for an import licence on the basis of any statement which is false, fraudulent or misleading.

(xiv) Tampering with an import licence.

(xv) Soliciting of licences by offering inducement to the holder of licence or otherwise.

(xvi) Smuggling of goods or importing goods without the cover of a valid licence or tampering with a licence or making interpolations in the licence or in the list of goods attached to the licence by removing the original entries or otherwise.

(xviii) Applying for duplicate copy of a licence or quota certificate by misrepresentation of facts.

(xviii) Obtaining clearance of goods from the Customs by producing false or fabricated or tampered with or forged recommendation purported to have been issued by the I.T.C. authority or obtaining such recommendation by misrepresentation.

(xix) Any corrupt or fraudulent practice in commercial dealings or in obtaining any licence on the part of the applicant for licence or any of his agents or employees.

(xx) Contravention of the conditions embodied in a licence or accompanying a licence or an application for a licence.

(xxi) Selling of goods imported against actual user licences in contravention of the condition of the licences.

(xxii) Mis-using the goods received by way of allotments through the State Trading Corporation of India, Minerals and Metals Trading Corporation of India or any other recognised agency.

(xxiii) Trafficking in licences i.e., illegal transfer or acquisition of import licences.

(xxiv) Sale of goods by a licensee, prior to their clearance through the Customs or purchase of any such goods.

(xxv) Misdeclaration of value, sort, quality or quantity in respect of any goods on their importation.

(xxvi) Contravention of any law, rules or regulations relating to Customs or the import and export of goods or of any law relating to foreign exchange.

(xxvii) Refusal to produce any documents or books of account required by a licensing authority.

(xxviii) Withholding the delivery of goods to the licensee, imported by any person on a letter of authority issued by the licensing authority.

((xxix) Failure to comply with the conditions subject to which a letter of authority is issued.

(xxx) Applying for an import licence in the name of a fictitious concern.

(xxxi) Applying for an import licence under the import policy for registered exporters on the basis of the exports which are over-invoiced in relation to the value having the meaning as defined in sub-section (1) of Section 14 of the Customs Act 1962, or non-fulfilment of the conditions of undertaking/bond furnished by the applicant to the licensing authority or failure to fulfil export obligation against the imports made.

(xxxii) Applying for an import licence under the import policy for Registered Exporters on the basis of any false or fabricated bank certificate or shipping documents, or any other documents, or by misrepresentation of facts in relation to value, quantity, quality, sort or specification, etc., of exported goods.

(xxxiii) Failure to comply with the distributional control in respect of imported goods where such control is applicable in terms of the policy in force.

N.B.—A licence includes a Customs Clearance Permit or a release order for allotment of imported goods, for purposes of the provisions of this paragraph also.

284. Where a licence has or had been issued at any time provisionally or through error or inadvertance or is in excess of the licence holder's entitlement or has been obtained by mis-representation or contrary to rules and regulations in force, it will be open to the licensing authority to set off

the value of such licence or adjust the same against the licence holder's subsequent entitlements under any category for that item or any other item or items without prejudice to any other action that may be taken in this behalf.

285. Attention of the trade is also invited to the provisions contained in paragraph 92 of this book relating to mis-use of the goods imported against a licence by an actual user or the goods received by any person through the allotment made by the State Trading Corporation of India or any other recognised agency.

Appeals

286.(1) Clause 10(2) of the Imports (Control) Order, 1955, provides that where any person is aggrieved by any action taken under clause 8 or 8-A he may prefer an appeal against such action to such authority as the Central Government may, by notification in the Official Gazette, constitute for the purpose of hearing appeals, within 30 days from the date of communication of the action taken.

(2) In exercise of the powers referred to in sub-paragraph (1) of this paragraph, the Central Government have constituted the following authorities for the purpose of hearing appeals against the action taken under clause 8 or 8-A of the Imports (Control) Order, 1955 :—

(i) Where action is taken by Joint Chief Controller of Imports and Exports, or by Deputy Chief Controller of Imports & Exports, the appeal will lie with the Chief Controller of Imports and Exports, New Delhi.

(ii) Where the action is taken by an authority other than any authority referred to in item (i) above, the appeal will lie with a Committee consisting of the Additional Secretary and two Joint Secretaries to the Government of India in the Ministry of Foreign Trade, New Delhi.

The notification issued by the Central Government in this regard is reproduced in Appendix 2.

(3) The appeals made under this provision should be accompanied by an attested copy of the order appealed against and any other documents or information that may be relied upon by the appellant. The appeal should also be accompanied by a proforma giving the following information :—

(a) Authority against whose decision appeal is preferred;

(b) Date of the order appealed against;

(c) Whether the appeal is against debarment or suspension from receiving licences (in the case of debarment, the periods for which the appellant has been debarred from obtaining licences may also be indicated);

(d) The grounds of appeal (in brief).

(4) A copy of the appeal should invariably be sent by the appellant to the authority against whose decision the appeal is made.

CHAPTER XVI

UNAUTHORISED IMPORTS

287. **Valid imports.**—Import is validly covered by a licence when the description, value and the quantity of imported goods are in accordance with the licence and the shipment/despatch of the goods from the supplying country takes place within the period of validity of the licence.

288. **Import licences are without prejudice to other prohibitions.**—An import licence is issued without prejudice to the operation of other prohibitions or laws to which the imported goods may be subject. For instance, if, under the health laws, imported plants have to be fumigated or animals inoculated, the relevant regulations have to be strictly observed. Similarly, the regulations under the Drugs Control Act, the Arms Act, the Explosives Act, the Excise Act and such other Acts, as may apply to the goods sought to be imported, will have to be strictly followed.

289. **Imports not covered by licences.**—If any article, requiring a licence, is imported or sought to be cleared without a valid licence, its entry into the country will be treated as unauthorised and the importer/owner of the goods will be liable to punishment under the provisions of the Customs Act, 1962 without prejudice to any other action that may be taken in this behalf under the Imports and Exports (Control) Act, 1947 and the Order issued thereunder. In such cases, the Import Trade Control authorities will not regularise the import by an *ex-post-facto* licence nor will they amend the existing licence in any manner to cover such imports.

290. **Customs' jurisdiction.**—The clearance of goods and the assessment of duty will be dealt with by the Customs authorities. It is within the jurisdiction of the Customs authorities to determine whether or not the goods imported are in conformity with the description given in the licence. Although, in case of doubt in regard to the correct description of goods given in the licence or any other matter concerning the import, the Customs authorities may consult the Import Trade Control authorities, the final responsibility in the matter rests with the Customs authorities.

291. **Difference in I.T.C. classifications**—Ordinarily, if the article imported is in accordance with the description given in the licence and the import is otherwise covered by the licence, the clearance will be allowed by the Customs even though there may be a difference of opinion in regard to the correct I.T.C. classification of the goods in question. However, in such an event the Customs authorities will be entitled to assess the Customs duty in accordance with their rules and regulations. On any point of clarification for purposes of assessment of import duty, the Collector of Customs/the Central Board of Excise & Customs in appeal, are the final authorities. No appeals in this regard will be entertained by the I.T.C. authorities.

292. **Joint Committees.**—In order to help the importers in cases of genuine difficulties, a joint committee of the Import Trade Control and the Customs authorities has been set up at each port. The Committee meets regularly and with both pre and post importation enquiries and difficulties of importers.

293. **Requests for amendments to be made before shipment.**—If the importer finds discrepancy in a licence, he should immediately apply to the licensing authority concerned for an amendment in the licence. The request for such an amendment should in any case be made before the goods have been shipped/despatched from the supplying country, so that, if, for any reason the change or amendment is not permitted, the importer may be able to advise his suppliers to make the necessary adjustment. In seeking any amendment or revalidation of a licence, it should clearly be pointed out by the applicant whether or not shipment/despatch of goods covered thereby has already been made either wholly or partly. Any misleading or wrong statement in this behalf will render the licensee/importer liable to action under the Import Trade Control rules and regulations.

294. The requests, if any, for amendment of a licence made after the shipment/despatch of the goods from the supplying country will be summarily rejected by the I.T.C. authorities. The matter in such an event will rest with the Customs authorities. The importers should, therefore, approach the Customs authorities who will deal with the cases with reference to the relevant rules.

295. **Penalty for unauthorised imports.**—The fine/penalty imposed in respect of unauthorised imports is likely to be heavy and may lead to even confiscation of the goods or prosecution of the importer/owner of goods. In special circumstances, the importer/owner of the goods may be allowed to re-ship the goods; but, in such a case also, the importer/owner of the goods will be liable to pay fine/penalty. Therefore, the importers should, in their own interest ensure that what is being imported by them into the country is in strict conformity with the licence-description in every respect and that the consignment is neither in excess of the licensed value or quantity limitations nor different in any way from what is authorised to be imported.

296. **Clearance of goods when the importer is unable to produce the licence.**—In cases where an importer claims to have a valid import licence to cover the goods imported by him but is unable to produce the licence to the Collector of Customs at particular port owing to the simultaneous arrival of the goods covered by the licence at different ports, or for any other reason, the Collector of Customs may, if he is satisfied with the plea put forward by the importer, permit clearance of the goods in so far as Imports Trade Control Regulations are concerned on the importer executing a bond or a letter of guarantee in forms given in Appendix 28 to this book. It is at the discretion of the Collector of Customs either to accept the bond or the letter of guarantee from the importer for the production of the import licence for the goods at a later date.

CHAPTER XVII

MISCELLANEOUS

297. **Port of entry.**—(1) Except where otherwise provided, an import licence will be valid for importation of goods only at the port of registration indicated in the import licence.

(2) The importers should, therefore, in their own interest, obtain separate licences for the goods to be imported through different ports. For this purpose, the value of the goods intended to be imported at each port should be given separately in the application for the licence.

Subsidiary licences

298. (1) In order to facilitate the clearance of goods through different sections of the same Customs House, the licensing authorities at the ports will consider requests for the issue of subsidiary licences against an existing licence. The request for grant of subsidiary licence can be made to any port licensing authority. Such requests will also be entertained by the regional licensing authorities in respect of licences issued from the Headquarters Office of the Chief Controller of Imports and Exports, New Delhi.

(2) **Subsidiary licences for clearance of goods at airports.**—Requests for issue of subsidiary licences will also be considered for the clearance of goods through the Customs authorities at the airports.

(3) **Applications for subsidiary licences.**—The following points should be borne in mind by the applicants while applying for subsidiary licences :—

(i) Applications for subsidiary licences should be made sufficiently in advance of the despatch/shipment of goods from the supplying country. A licensing authority may, however, consider an application for the grant of a subsidiary licence after the expiry of the main licence to enable the licensee to clear goods shipped within the validity period of the main licence.

(ii) The facility of the grant of subsidiary licences will be given irrespective of the value of the original licence.

(iii) The subsidiary licences, where granted, will be subject to face value restrictions or any other conditions applicable to the main licence. It is open to the importers to apply for and obtain separate subsidiary licences specifically valid for the items with face value restrictions upto the permissible limits. These licences showing the values of restricted items permissible against the main or original licences will also be valid for import of non-restricted items.

(iv) The applications for subsidiary licences should also be accompanied by treasury receipt showing the payment of the prescribed application fee of Rs. 5/- for each subsidiary licence.

(v) Subsidiary licence will have the same period of validity as the main licence. The revalidation, if any, granted in respect of the main or original licence will also apply to the subsidiary licence. For facility of clearance, the licensing authorities will indicate the period of validity on the subsidiary licence.

(vi) The number and date of the main licence will be endorsed on the subsidiary licence for facility of reference and check.

Payment to suppliers

299. (1) When goods are to be imported under an Open General Licence or Special General Licence, authorised dealers in foreign exchange have been permitted to open letters of credit or make remittances to cover the imports on their being satisfied that the goods ordered are covered by the Open General Licence or the Special General Licence.

(2) With regard to goods not covered by an Open General Licence or Special General Licence, no letters of credit can be opened or remittances of foreign exchange made unless the importer is in possession of a valid import licence with exchange control copy. When applying to an authorised dealer in foreign exchange for remittance of foreign exchange, the licence holder should produce, before him the copy of the licence marked 'for exchange control purposes'.

(3) It should be noted that in opening any letter of credit, the date of expiry of the O.G.L. or S.G.L. or the valid licence should be kept in view for determining the period for which the letter of credit should be kept open for negotiation.

300. **No remittances in advance of the receipt of the shipping documents.**—It may be noted that whereas letters of credit can be opened on the basis of the exchange control copy of the licence in advance of the shipment/despatch of goods, remittances can be made only on receipt of shipping documents. In the case of licences for Capital Goods and Heavy Electrical Plant, however, a part payment may be authorised by the Reserve Bank of India as an earnest money payable to the foreign suppliers.

The extent to which the licence can be utilised

301. (1) The value shown in an import licence is always the **c.i.f.** price of the goods to be imported, and it includes commission allowed by the supplier/manufacturer to the importer or agent. The value debitable to an import licence for Customs purposes will be the **c.i.f.** value of goods imported as assessed by the Customs authorities. The remittance against goods covered by the import licence would, however, be governed by the Exchange Control Regulations and it will exclude commission, discount or like rebates allowed by the foreign supplier/manufacturer to the importer/agent. Therefore, the licensing authority will specifically endorse a condition on the licence to the effect that payment authorised to be made against it shall not cover commission, discount or like rebates allowed by foreign supplier/manufacturer to the importers/agents in India.

(2) The c.i.f. value cannot also be used to the full extent if the stores are shipped f.o.b. In such an event, a margin has to be left to cover the cost

of insurance and freight to be paid for in rupees. When either the freight or insurance is paid in rupees in India, the amounts will be deducted from the value of the licence by the authorised dealer in foreign exchange **e.g.,** where against an import licence for Rs. 1,00,000/-, the insurance and freight charges amount Rs. 10,000/- (say Rs. 5,000/- on each account) the basic imports exclusive of cost of insurance and freight against the said licence can be admitted upto the extent of Rs. 90,000/-, only.

Requests for enhancement in value

302. Importers are required to take steps to ensure that the c.i.f. value shown in the licence is not exceeded in any case unless otherwise notified. The only types of cases where requests for enhancement in the value of the licence are entertained are :—

(a) Capital goods;

(b) H.E.P. licences;

(c) H.E.P. licences issued against Government contracts.

(d) Licences granted to Actual Users in exceptional cases.

In each case, the reasons for the increase have to be satisfactorily explained and documentary evidence in support of them has to be produced. The enhancement will be solely at the discretion of the licence issuing authority.

Currency in which payment may be made

303. Normally foreign remittances are allowed by the Exchange Control authorities only in the currency of the country of origin of the goods in question as stated in the import licence, or by payment in sterling or rupees to the account of a resident in that country. In the case of f.o.b. contracts, however, payment of freight and insurance may be made in rupees, or in the currency of the country in which the shipping company is registered or the insurance policy is issued. If importers require any further information in this behalf, they may consult the authorised dealers in foreign exchange or the Reserve Bank of India.

Provisional debiting of import licences by Customs Houses

304. Import licences are sometimes debited with 'Loaded Values' of the imported goods by Customs Houses on a provisional basis. On subsequent verification or on appeal, the quantum of loading is sometimes reduced after several licensing periods. Re-validation of a licence on account of reduction in the "loaded value" will not be granted.

Banks as joint holders of licences

305. (1) It has been observed that when an importer opens an irrevocable letter of credit through a bank and later fails to honour his bills, the bank concerned, which is committed for the payment of the exchange to the foreign suppliers, finds itself in difficulty to import as it is not the licence holder. As a safeguard against this contingency, the exchange bank or authorised dealer through whom the letter of credit is opened is considered as a joint holder of the licence to the extent of the goods covered by the

credit which would thus enable the bank to honour its commitments with foreign supplier. The procedure in this respect is contained in Public Notice No. 60-ITC(PN)/50, dated the 21st July, 1950, reproduced in Appendix 29.

(2) In the types of cases referred to in sub-para (1) of this paragraph and also in cases where the goods are pledged with a Bank or a State Finance Corporation and the borrower does not meet his obligation, the imported goods lying with the Bank or the State Finance Corporation, as the case may be, will be dealt with in accordance with the provisions of Clause 10-C of the Imports (Control) Order, 1955, as amended. In such cases, sale of goods to actual users or S.T.C./M.M.T.C., State Small Industries Corporation, or any other similar agency, may also be effected in terms of the procedure laid down in para 94 of this book.

Established importers-cum-manufacturers

306. (1) An established importer-*cum*-manufacturer is eligible to claim a licence only in one capacity, i.e. either as an established importer or as an actual user, as indicated below :—

(a) If an established importer of a commodity is also the manufacturer of a product in the process of the manufacture of which that commodity is required, the established importer-*cum*-manufacturer would be entitled to claim a licence only in one capacity—as an established importer or as an actual user—and not in both the capacities.

(b) If an established importer of a finished product and/or its components is himself or through his associate concern engaged in the manufacture of that product and/or its components as an actual user, the actual user and his associate concern(s) will surrender their quotas for the finished product and/or its components as established importers, provided that in exceptional cases where the commencement of production is likely to be delayed, they will be allowed to claim quota licences till the production has actually commenced.

(2) **Clarification of the above provisions.**—The following clarification is made to define the scope of the application of the above provisions with respect to certain types of cases :—

(i) **Cases in which the established importer-cum-manufacturer has a quota for a commodity which is also required as a raw material for use in the manufacture of a finished product.**—(a) If the raw material falls under a S. No. or sub. S. No. as the case may be which covers only one item, the established importer-*cum*-manufacturer shall surrender his claim for a licence for the raw material in one capacity i.e. either as an established importer or as an actual user.

(b) If the raw material falls under a S. No./Sub S. No. which covers more than one item, the established importer-*cum*-manufacturer will be allowed to claim in addition to an actual user licence, a quota licence to import only such other items falling under the particular S. No./Sub S. No. as are not covered by his actual user licence. In such cases only the past imports of admissible items will be taken into account for the grant of the quota licence.

(ii) **Cases where the manufacturer of a finished product has in his own name or in the name of his associate concern (s) a quota for that product.—** In such cases, if the manufacturer is engaged in the manufacture of only particular type(s) of the product, he or his associate concern (s) will be entitled to claim a quota licence for import of such other type (s) of the product as are not included in their manufacturing programme and only their past imports of such other type(s) of the product as are not included in their manufacturing programme will be taken into account to determine their quota entitlement. But the quota will be subject to revision consequent on the expansion of the manufacturing activities.

(iii) **Cases where the manufacturer of a finished product has in his own name or in the name of his associate concern (s) a quota for the components of the finished products :—**

In such cases, the manufacturer and his associate concern(s) will be entitled to claim a quota licence for such components as are (a) not covered by his actual user licence and (b) not covered by his manufacturing activities. Only the past imports of admissible components will be reckoned for the grant of quota licences for components in such cases and the quota would be subject to revision consequent on the expansion of the manufacturing activities.

(iv) These principles would be followed with regard to grant of quota licences when goods imported against the quota licence are required for stock and sale. However, in cases where the goods sought to be imported against quota licence(s) are required for servicing/repairs, the quota licence(s) would be validated on *ad hoc* basis on the discretion of the licensing authority to meet the servicing/repairs requirements.

(v) There may be certain types of cases where the importer-*cum*-manufacturer holds a quota certificate for machinery/equipment/accessories and he may require the same goods for installation of a factory or for replacement purposes thereafter. In such cases, the established importer-*cum*-manufacturer would have the option to claim either the quota licences or an actual user licence (including C.G./H.E.P.).

(3) **Definition of associate concerns.—**For the purpose of the above provisions, or for other purposes under the import policy and procedures, the following will be the criteria for determining whether the two concerns are associates :—

(i) The two concerns are assessed to income tax jointly i.e. have a common IVC Number, or they have common ownership.

(ii) The two concerns have separate IVC Numbers, and have no common ownership, but (a) a partner in one of the concerns having major share therein, is the proprietor of the other, or (b) the proprietor of one of the concerns is a partner in the other concern having major share therein, or (c) a partner or set of partners in one of the concern have major share in the other.

(iii) One of the concerns is a limited company and any director of the limited company has interest in the other concern as

Re-import of goods after repairs abroad

307. (1) The goods which are covered by Saving (k) of Clause 11 of the Imports (Control) Order, 1955 dated 7th December, 1955, as amended, can be imported into India from any country without Import Trade Control restrictions.

(2) In the case of goods which are not covered by the Saving clause mentioned above, and which are exported for repairs and subsequent return, the importer should secure an import licence in advance, and the goods for repairs should be exported only after obtaining the licence for their re-import. The application for import licence should be made to the licensing authority concerned. Failure to comply with this requirement will render the application for licence/Customs Clearance Permit for re-import of the goods repaired, liable to be rejected. In cases where the re-import of articles after repairs involves foreign exchange, the amount to be remitted towards the cost of repairs, freight and insurance should be indicated in the application for licence and the application should be supported by a certificate from the D.G.T.D. to the effect that the goods in question cannot be repaired in India.

Re-import of samples of Indian origin sent abroad for the purpose of securing orders

308. (1) For re-importation into India of samples sent or taken to foreign countries by Indian businessmen, a provision already exists in Saving (k) of Clause 11 of the Imports (Control), Order, 1955 dated 7th December, 1955, as amended whereby such samples as are exempt from payment of Customs duties on re-importation, would be allowed clearance without an import licence. But in order to qualify for this concession, there are certain Customs formalities to be observed and the Indian traders who do not comply with such formalities have to face difficulties in the clearance of such samples on re-importation. Therefore, the trade, in its own interest, should contact the Customs authorities before exporting the samples to foreign countries and ensure that the conditions qualifying for the duty free re-importation of the samples are fulfilled.

(2) However, in cases where samples on reimportation do not qualify for the above concession, it is open to the Indian businessman to secure import licences in advance to cover the reimport. Applications for import licences for the reimportation of such samples should be submitted to the regional licensing authorities and should be accompanied by an evidence to show that the samples which were taken or sent to foreign countries, are being re-imported.

(3) In the case of businessmen/industrialists returning from abroad, who are bringing into India such samples, the requirement regarding submission of I.V.C. Registration/Exemption Number will be dispensed with for the purpose of the application for import licence as in the case of such applicants, it may be difficult to comply with this requirement. In cases other than those of businessmen/industrialists returning from abroad also, the requirement regarding production of I.V.C. Registration/Exemption Number will be dispensed with if the re-importation takes place within three years of export. The payment of application fee will be waived in all such cases

Import of samples and literatures relating to products to be manufactured for re-export

309. Applications for the import of samples and literatures relating to products to be manufactured in India for export, will be considered on merits on *ad hoc* basis by the licensing authorities concerned. The applicants should give full justification for their requirements in such cases. The applications should be made in the form prescribed for actual users and should be accompanied by a treasury receipt for the requisite amount towards application fee.

Import of empty gas cylinders for re-export after being filled with gas

310. Applications for the grant of Customs Clearance Permits will be considered by the licensing authority concerned for the import of empty gas cylinders falling under Serial No. 65(5)(iii)/V of the I.T.C. Schedule which are to be re-exported after being filled with gas. The procedure to be followed in such cases will be as under :—

(a) The importers should apply for a Customs Clearance Permit to import empty gas cylinders in respect of their six months' requirements, *i.e.,* number of cylinders which they will be able to re-export after being filled with gas within a period of six months. The application should be supported by a certificate from the Director of Explosives in respect of cylinders applied for.

(b) The applicants should also produce evidence to show that their requirements are genuine and that they have been in the particular trade.

(c) The Customs Clearance Permits, where granted, will be subject to the condition that the licensee shall re-export the cylinders after filling them with gas within a period of six months from the date of importation. The importer will also be required to execute a bond with a surety from an insurance company or a chamber of commerce at the time of importation of the cylinders for compliance with this condition. However, in the case of importers of good standing who have been in the line and whose past performance has been satisfactory, the licensing authority concerned may, in its discretion, dispense with the surety.

Import of machinery and equipment designed on the metric system

311. (1) Legislation has been enacted to decimalize currency, weights and measures. The Coinage (Amendment) Act, 1955 was brought into force on 1st April, 1957, and decimal coinage is now in circulation in the country. The Standards of Weights and Measures Act, 1956 has been brought into force with effect from the 1st October, 1958 in certain specified areas in States and Union Territories and in respect of certain specified classes of undertakings and of goods. The Act provided for a transitional period of 10 years from its date of enactment.

(2) Importers of machinery are requested to take note of these developments and to endeavour to import machinery which should be able to work to metric measurements. It is realised that for a certain number of years both the metric and the foot-pound systems have to continue side by side. To the extent, therefore, that machinery and equipment on foot-pound system is required for replacements either in regard to spare parts or even complete machines, their imports will be allowed after scrutiny of their need.

(3) Metric system has become the only legal system of weights and measures in the country. Importers of machinery are requested to take note of this development and to import machinery which would be able to work on metric measurements. Weighing or measuring instruments imported for use in trade or commerce must conform to the specifications prescribed in the Weights & Measures (Enforcement) Rules of the States.

(4) Consequent on the decision of the Government of India to introduce from August 1960 the Metric System of Weights and Measures in the levy and collection of Customs Duties, it was decided to adopt the Metric system of weights and measures from 1st October, 1960, for the purpose of Import and Export Trade Control also, to the extent indicated below :—

(i) All shipping documents relating to imports, exports and re-export will be in Metric unit. However, to suit the requirements of customers in foreign countries which are not on metric system, the exporters may use British units as well in their invoice, etc., at the request of their customers. Shippers in foreign countries such as United Kingdom, United States of America or other countries, which are not on metric system, will have the option to use British units in their shipping documents, invoices, etc.

(ii) Where licensing is on the basis of quantity, new quota certificates/licences will be issued in Metric units; even otherwise quantities in licences will be shown in Metric units, wherever necessary.

(iii) While applying for licences, importers will be required to mention quantity in Metric units.

Import of Transformer Oil together with power transformers

312. (1) Oil supplied for the first filling along with the transformer may be treated as part of the transformer and its clearance may be allowed against licences issued for transformers. It may, however, be noted that the quantity of transformer oil so allowed shall not in any case exceed the capacity of the tank of the transformer. It is also necessary to ensure that the c.i.f. value of the oil plus the c.i.f. value of the transformer should be covered by the c.i.f. value specified in the licence for transformer.

(2) Where the oil and the relative transformer are shipped from different countries, a separate import licence would be necessary for the oil. This would not, however, apply if the licence for transformer has been specifically made valid to cover transformer oil required with it, subject to the prescribed conditions, if any, being fulfilled.

Duplicate copies of import licences/release orders

313. (1) Where a licence is lost or misplaced, the application for the issue of a duplicate copy of the licence will be considered and a duplicate copy will be issued if the licensing authority concerned is satisfied in regard to the bona fides of the case.

(2) The application for the issue of duplicate copy of the licence should be submitted to the licensing authority who issued the original licence. Such applications should be accompanied by a treasury challan of Rs. 5/- towards application fee and an affidavit on a stamped paper in the form prescribed in Appendix 8 to this book, duly sworn in before a Magistrate or an Oath Commissioner or a Notary Public.

(3) The duplicate copy of the licence will be marked 'DUPLICATE' and endorsed by the issuing authority in block letters as follows :—

"This licence has been issued in lieu of licence no ..... (to be given) dated ....., since cancelled under Order no ..... dated ....., to the extent of full value or partly utilised value of Rs. ....."

(4) When a duplicate copy of a licence is issued, the licensing authority concerned will intimate the fact to the Customs authority at the port of registration of the original licence. Where a duplicate copy of the licence is issued with Exchange Control copy, the Reserve Bank of India of the circle concerned will also be informed accordingly by the licensing authority concerned. The order of cancellation of the original licence will be published in the Gazette of India.

(5) Where a release order issued to an applicant on a canalising agency, in respect of goods the import of which is canalised, is lost or misplaced, the licensing authority may entertain a request for the issue of a duplicate copy of the release order on production of an affidavit on a stamped paper to the effect that the original release order, of which the particulars may be given in their affidavit, has been lost or misplaced without having been produced for such supplies of the goods or utilised for any other purpose, and that in the event of the original release order being traced or found later, it will be returned to the licensing authority without being used for any purpose. The licensing authority issuing a duplicate copy of the release order will simultaneously send an intimation thereof to the canalising agency concerned.

Licence issued in duplicate

314. Import licences are generally issued in duplicate. One of the copies known as the Customs Purposes copy is to be presented by the importer along with the bills of entry, to the Customs authorities for obtaining clearance of the goods imported. The other *i.e.*, the Exchange Control copy, is to be presented by the importer to the Bank for the purpose of opening a letter of credit or making remittance of foreign exchange. Where no remittance of foreign exchange is involved, the Exchange Control copy of the licence is not issued.

Form of Affidavit

315. Applicants for import licences are sometimes required to furnish certificates or declarations along with their applications for import licences. Unless otherwise provided, such certificates or declarations need not be given on a stamped paper and also need not be sworn in before a Magistrate or an Oath Commissioner, etc. Such declarations or certificates can ordinarily be signed by the proprietor, partner, or managing director of the applicant concern or by a person duly authorised to sign such documents on behalf of the applicant.

Checks on delays

316. (1) Every effort is made to avoid delays in the disposal of applications for licences or correspondence. Reminders in regard to the delayed cases are attended to promptly by the licensing authorities.

(2) Complaints regarding delay addressed to the Chief Controller of Imports and Exports, New Delhi, should be specifically marked "Complaint against delay" at the top of the communication containing the complaint. In order to facilitate timely action on such complaints, the applicants are advised to send their complaints in duplicate.

(3) The applicant should also bring cases of delay to the personal notice of the Public Relations Officer in the Import Trade Control office concerned. The Public Relations Officer of the rank of the Deputy Chief Controller of Imports and Exports has been appointed at the Headquarters of the Office of the Chief Controller of Imports and Exports, New Delhi. In the regional offices also, Public Relations Officers have been appointed.

Addressing of communications to Import Trade Control Organisation

317. It is noticed that telegrams and letters received by the licensing authorities from the trade by way of reminders do not often contain sufficient details to enable the licensing authorities to locate the previous papers. With a view to avoid delay in the disposal of such communications, the trade should give brief details of the reference received by them from the licensing authority concerned, the particulars of the goods sought to be imported and the I.T.C. classification of such goods. The communication should also indicate its subject matter, the category of the importer, the type of the licence to which it pertains, whether it relates to the grant of the licence or amendment or revalidation thereof or an appeal, and it should also give the number and date of the relevant original application.

Enquiries regarding the position of applications

318. (a) The arrangement under which the importers could enquire the position of the import application by filling the import enquiry slip has been discontinued.

(b) The licensing authorities will make every effort to dispose of the applications as quickly as possible. If an application for an import licence is not disposed of within one month from the date of its receipt in the licensing section, the licensing authority will issue an *interim* reply to the applicant.

If an applicant does not receive an *interim* reply even after this time limit, he can bring the matter to the notice of the Public Relations Officer in the Import Trade Control office concerned or book an interview with the officer concerned through the Enquiry Officer in order to know the reasons for the delay in the disposal of his application.

(c) Where a licensing authority calls for certain documents or information from the applicant or any deficiencies in the application are communicated to the applicant, and the applicant has furnished the required documents or information or made good the deficiencies but does not receive any further communication from the licensing authority within fifteen days thereafter, he can bring the matter to the notice of the Public Relations Officer or book an interview with the Officer concerned to know the reasons for the delay in the disposal of the application.

(d) Applications for import of capital goods and heavy electrical plant will take somewhat longer time. But in such cases also, if the applicant finds that there has been a delay in the disposal of his application, he can bring the matter to the notice of Public Relations Officer or book an interview with the concerned officer to know the reasons for delay.

Interviews

319. (1) Ordinarily all matters should be settled by correspondence. However, in cases where the importers consider it necessary to discuss in person, matters relating to general policy and principles of Import Trade Control or they wish to make a personal submission in the case of appeals and representations against orders passed in individual cases or they desire to present their case in person in respect of any application for licence or to represent against the delay in the disposal of their applications for licences or appeals, they may book an interview with the officer concerned.

(2) The interviews with the officers other than the Chief Controller of Imports and Exports and the heads of the regional licensing offices should be booked in advance at the Enquiry Office which is attached to each licensing office. Appointments to see the Chief Controller of Imports and Exports/heads of the regional licensing offices should, however, be arranged through their private secretaries. The importers should give the purpose of interview and the particulars of their case in the prescribed proforma *vide* Appendix 30 to this book. The prescribed proforma for interviews will not have to be filled in for seeking interviews with the Public Relations officers.

(3) Except where otherwise authorised, interviews will be granted only by officers of the rank of Deputy Chief Controller of Imports and Exports or above or by other officers authorised to grant interviews. It should be noted that the person desiring to book an interview should be the accredited representative of the applicant; and he should comply with all the regulations concerning the interviews which are prominently displayed on the trade notice boards in all the licensing offices or otherwise publicised. Entry in the rooms occupied by the clerical establishments or personal contact with the staff of the Import Trade Control Organisation is strictly prohibited.

"Counter" System

320. The requests for amendments of minor nature or revalidation of licences which do not require detailed examination, such as requests for issue of letter of authority, correction in the lists of goods, affixing security seal on the licence or on the lists of goods, and other matters of minor nature like signatures of the licensing authority below the condition on the licence or on the lists of goods attached to the licence, on amendment of port of registration, will also be entertained at the "Counter" in the licensing office concerned. For this purpose the "Counter" system has been introduced in the licensing offices. The applications will be received at the "Counter" against a proper receipt and the applicant will be given a fixed date for collecting back the licence on production of the said receipt.

Import of disposal, second-hand or reconditioned goods

321. (1) In terms of the Imports (Control) Order, 1955, dated the 7th December, 1955, as amended, it is a condition of every licence that the goods for the import of which the licence is granted, shall be new goods, unless otherwise stated in the licence.

(2) It has been decided that requests for import of disposal or second-hand or reconditioned goods against licences issued to established importers or others for import of goods for stock and sale purposes will not be entertained.

Conditions on licences

322. (1) Import licences issued to various categories of importers shall be subject to the conditions indicated in Appendix 31. The licensees/importers should carefully read these conditions to ensure compliance therewith.

(2) These conditions will be in addition to the conditions applicable to a licence under the Imports (Control) Order, 1955, dated the 7th December, 1955, as amended, and such other conditions as may be imposed by a licensing authority.

(3) Non-fulfilment of the conditions of a licence will render the licence liable to cancellation, without prejudice to any other action that may be taken in this behalf against the licensee or importer or any other person.

Refusal of Licence

323. (1) A licensing authority may refuse to grant a licence :—

(a) if the application for the licence does not conform to any provisions of the Imports (Control) Order, 1955 dated 7th December, 1955, as amended;

(b) if such application contains any false or fraudulent or misleading statement;

(c) if the applicant uses in support of the application any document which is false or fabricated or which has been tampered with;

(d) if the application for the licence is defective and does not conform to the prescribed rules and procedure;

(e) if the applicant is not eligible to the grant of licence in accordance with the relevant Import Trade Control policy and procedure in force;

(f) if the applicant fails to produce any document that is called for by the licensing authority;

(g) if the applicant has failed to make up a deficiency in his application within the time limit indicated by the licensing authority;

(h) if the applicant has used any unfair means in obtaining a licence; and

(i) any other reason to be recorded in writing.

(2) A licensing authority will also refuse to grant a licence under the provisions of clause 6 of the Imports (Control) Order, 1955 dated 7th December 1955, as amended.

324. A form of bond to be executed by importers for fulfilment of export obligations is given in Appendix 33.

APPENDIX 1

[Vide para. 2 of Chapter I]

Imports and Exports (Control) Act, 1947, as amended upto 31st March, 1970.

An Act to continue for a limited period powers to prohibit or control imports and exports.

Whereas it is expedient to continue for a limited period, powers to prohibit, restrict or otherwise control imports and exports.

It is hereby enacted as follows :—

1. *Short title, extent, commencement and duration.*—(1) This Act may be called the Imports and Exports (Control) Act, 1947.

(2) It extends to the whole of India.

(3) It shall come into force on the 25th day of March, 1947 and shall remain in force until the 31st day of March, 1971.

2. *Interpretation.*—In this Act,

"Import" and "Export" means respectively, bringing into, and taking out of India by sea, land or air;

3. *Powers to prohibit or restrict imports and exports.*—(1) The Central Government may, by order published in the Official Gazette, make provisions for prohibiting, restricting or otherwise controlling in all cases or in specified classes of cases, and subject to such exceptions if any, as may be made by or under the order :—

(a) the import, export, carriage coastwise or shipment as ships stores of goods of any specified description;

(b) the bringing into any port or place in India of goods of any specified description intended to be taken out of India without being removed from the ship or conveyance in which they are being carried.

(2) All goods to which any order under sub-section (1) applies shall be deemed to be goods of which the import or export has been prohibited under section 11 of the Customs Act, 1962 (52 of 1962), and all the provisions of that Act shall have effect accordingly.

(3) Notwithstanding anything contained in the aforesaid Act, the Central Government may, by order published in the Official Gazette, prohibit, restrict or impose conditions on the clearance, whether for home consumption or for shipment abroad of any goods or class of goods imported into India.

4. *Continuance of existing orders.*—All orders made under rule 84 of the Defence of India Rules or that rule as continued in force by the Emergency Provisions (Continuance) Ordinance, 1946 (Continuance of Existing Orders, XX of 1946), and in force immediately before the commencement

of this Act shall so far as they are not inconsistent with the provisions of this Act, continue in force and be deemed to have ben made under this Act.

4-A. *Fees for applications for, and issue or renewal of, licences.*—The Central Government may by order levy, subject to such exceptions, if any, in respect of any persons or class of persons as may be specified in the order, any fee in respect of any application or in respect of any licence granted or renewed under any order made or deemed to have been made under this Act.

5. *Penalty.*—If any person contravenes or attempts to contravene, or abets a contravention of, any order made or deemed to have been made under this Act or any condition of a licence granted under any such order, he shall, without prejudice to any confiscation or penalty to which he may be liable under the provisions of the Customs Act, 1962 (52 of 1962) be punishable with imprisonment for a term which may extend to two years and also with fine :

Provided that in the absence of special and adequate reasons to the contrary to be recorded in the judgment of the Court, such imprisonment shall not be for less than six months.

6. *Cognizance of offences.*—No Court shall take cognizance of any offence punishable under section 5 except upon complaint in writing made by an officer authorised in this behalf by the Central Government by general or special order, and no Court inferior to that of a Presidency Magistrate or a Magistrate of the First Class shall try any such offence.

7. No order made or deemed to have made under this Act shall be called in question in any Court, and no suit, prosecution or other legal proceeding shall lie against any person for anything on good faith done or intended to be done under this Act or any order made or deemed to have been made thereunder.

APPENDIX 2

[Vide para 2 of Chapter I]

Government of India

MINISTRY OF COMMERCE AND INDUSTRY

Imports (Control) Order, 1955 (as amended upto 31-3-1970)

New Delhi, the 7th December, 1955

No. 17/55.—In exercise of the powers conferred by sections 3 and 4A of the Imports and Exports (Control) Act, 1947 (18 of 1947) as in force in India and as applied to the State of Pondicherry, the Central Government hereby makes the following Order, namely :—

ORDER

1. *Short title and Commencement.*—(1) This order may be called the Imports (Control) Order, 1955.

(2) It shall come into force at once.

2. *Definition.*—In this Order, unless the context otherwise requires,—

(a) 'the Act' means the Imports and Exports (Control) Act, 1947 (18 of 1947);

(aa) 'application for licence' includes any application made under the Import Trade Control regulations;

(aaa) "Chief Controller of Imports and Exports" includes a Joint Chief Controller of Imports and Exports and a Deputy Chief Controller of Imports and Exports;

(aaaa) 'licence' includes a customs clearance permit issued under this Order;

(b) "Licensee" means a person to whom a licence or a Customs clearance permit is granted under this Order;

(c) "Licensing authority" means an authority competent to grant a licence or Customs clearance permit under this Order;

(d) "Schedule" means a schedule to this Order;

(e) 'Value' has the same meaning as in sub-section (1) of section 14 of the Customs Act, 1962 (52 of 1962) :

3. *Restriction of Import of certain goods.*—(1) Save as otherwise provided in this Order, no person shall import any goods of the description specified in Schedule I, except under, and in accordance with, a licence or a customs clearance permit granted by the Central Government or by any officer specified in Schedule II.

(2) If, in any case, it is found that the goods imported under a licence do not conform to the description given in the licence or were shipped prior to the date of issue of the licence under which they are claimed to have been imported, then, without prejudice to any action that may be taken

against the licensee under the Customs Act, 1962 (52 of 1962), in respect of the said importation, the licence may be treated as having been utilised for importing the said goods.

3-A. In cases where the importer is unable to produce the licence which has already been granted to him at the time of arrival of goods, the Customs Collector may at his discretion, allow the importer to secure the clearance of goods, on execution of a bond or letter of guarantee to the effect that he holds a valid licence in respect of the imported goods and shall produce the same within a period to be specified by the Customs Collector, failing which he shall pay to the Customs Collector such amount as may be stipulated in the bond or letter of guarantee without prejudice to any action that may be taken against him under the Customs Act, 1962 (52 of 1962) for unauthorised importation of the goods concerned.

4. *Fees on Application for Licences.*—(1) Every application for a licence shall be made to the appropriate licensing authority.

(2) A fee as indicated in Schedule III shall be paid in respect of every application in the manner provided in the said Schedule :

Provided that no fee shall be payable in respect of any application when made by—

(a) the Central Government, a State Government or any department or office of the Central Government or State Government;

(b) any local authority for the import of goods required for its own consumption;

(c) any education, charitable or missionary institution for the import of goods required for its own consumption;

(d) an application for review of an order (i.e. first appeal) made on an application for a licence to the licensing authority who originally dealt with the case.

*The fee once received will not be refunded under any circumstances except—

(i) where the fee has been deposited in excess of the prescribed scale;

(ii) where the fee has been deposited, but no application has been made;

(iii) where the fee has been deposited, and the application has been made, but the item to which the application relates is placed on an Open General licence on or after the date of application;

(iv) where the fee has been deposited in error, but the applicant is exempt from payment of licence fee;

(v) where the fee has been deposited and the application made, but the policy governing the issue of import licences has been changed subsequent to the date of application, thereby rendering the application ineligible for the grant of licence.

*Note.—Fees paid in respect of Appeals made to the Chief Controller of Imports and Exports shall not be refunded under any circumstances.

5. *Conditions of Licences.*—(1) The licensing authority issuing a licence under this Order may issue the same subject to one or more of the conditions stated below :—

(i) that the goods covered by the licence shall not be disposed of, except in the manner prescribed by the licensing authority, or otherwise dealt with, without the written permission of the licensing authority or any person duly authorised by it;

(ii) that the goods covered by the licence on importation shall not be sold or distributed at a price exceeding that which may be specified in any directions attached to the licence;

(iii) that the applicant for a licence shall execute a bond for complying with the terms subjects to which a licence may be granted.

(2) A licence granted under this Order may contain such other conditions, not inconsistent with the Act or this Order, as the licensing authority may deem fit.

(3) It shall be deemed to be a condition of every such licence that :—

(i) no person shall transfer and no person shall acquire by transfer any licence issued by the licensing authority except under and in accordance with the written permission of the authority which granted the licence or of any other person empowered in this behalf by such authority.

(ii) that the goods for the import of which a licence is granted shall be the property of the licensee at the time of import and thereafter upto the time of clearance through Customs.

Provided that the conditions under items (i) and (ii) of this sub-clause shall not apply in relation to licences issued to the State Trading Corporation of India, the Minerals and Metals Trading Corporation of India and other similar institutions or agencies owned or controlled by the Government.

(iii) the goods for the import, of which a licence is granted shall be new goods unless otherwise stated in the licence.

(4) The licensee shall comply with all conditions imposed or deemed to be imposed under this clause.

6. *Refusal of licence.*—(1) The Central Government or the Chief Controller of Imports and Exports may refuse to grant a licence or direct any other licensing authority not to grant a licence :—

(a) if no foreign exchange is available for the purpose;

(b) if the grant of a licence to an applicant is prejudicial to the interests of the State;

(c) if it has been decided to canalise imports and distribution thereof through special or specialised agencies or channels;

(d) if the applicant is a partner in a partnership firm, or a director of a private Limited company, which is for the time being subject to any action under clause 8;

(e) if the applicant is a partnership firm or a Limited company, any partner or director whereof, as the case may be, is for the time being subject to any action under clause 8, 8A or 8B; and

(f) if any amount demanded from the applicant under the Customs Acts, 1962 or any penalty imposed on him under the said Act has remained unpaid for a period of three months.

(2) The refusal of a licence under sub-clause (1) shall be without prejudice to any other action that may be taken in respect of an application by a licensing authority under the relevant import policy and procedure in force.

7. *Amendment of Licence.*—The licensing authority may, of its own motion or on application by the licensee, amend any licence granted under this Order in such manner as may be necessary to make such licence conform to the provision of the Act or this Order or any other law for the time being in force or to rectify any errors or omissions in the licence; Provided that the licensing authority may, on request by the licensee, amend the licence in any manner consonent with the Import Trade Control Regulations.

8. *Power to debar from receiving licences or allotments of imported goods.*—The Central Government or the Chief Controller of Imports and Exports may debar a licensee or importer or any other person from receiving licences or allotment of imported goods through the State Trading Corporation of India, the Minerals and Metals Trading Corporation of India, or any other similar agency, and direct, without prejudice to any other action that may be taken against him in this behalf, that no licence or allotment of imported goods shall be granted to him for a specified period under this Order :—

(a) if his application for licence is at any time found to be not in conformity with any provision of this Order; or

(b) if such application is found to contain any false, fraudulent or misleading statement; or

(c) if he is found to have used in support of his application any document which is false or fabricated or which has been tampered with; or

(d) if he has, on any occasion, tampered with an import licence or has imported goods without a licence or has been a party to any corrupt or fraudulent practice in his commercial dealings or in obtaining a licence, or is found to have solicited any licence by offering an inducement to the holder of the licence or otherwise; or

(e) if his agent or employee has been a party to any corrupt or fraudulent practice in obtaining any licence on his behalf; or

(f) if he fails to comply with or contravenes or attempts to contravene or abets the contravention of any conditions embodied in, or accompanying, a licence or an application for a licence; or

(g) if he commits a breach of any law (including any rule, order or regulation) relating to customs or the import and export of goods or foreign exchange; or

(h) if he fails to produce any document that is called for by the Chief Controller of Imports and Exports or any other licensing authority.

8A. *Power to suspend grant of licences or allotments of imported goods.*—The Central Government or the Chief Controller of Import & Exports may suspend the grant of licences or allotments of imported goods through the State Trading Corporation of India, the Minerals and Metals Trading Corporation of India, or any other similar agency, to a licensee or importer or any other person, pending investigation into one or more of the allegations mentioned in clause 8, without prejudice to any other action that may be taken against him in this behalf :

Provided that grant of a licence or allotment of imported goods shall not ordinarily be suspended under this clause for a period exceeding twelve months :

Provided further that on the withdrawal of such suspension, a licence or allotment of imported goods may be granted to him for the period of suspension subject to such conditions, restrictions or limitations as may be decided by the authority aforesaid, keeping in view the foreign exchange position, indigenous production and other relevant factors.

8B. *Power to keep in abeyance applications for licences or allotments of imported goods.*—Where any investigation into any of the allegations mentioned in clause 8 is pending against a licensee or importer or any other person, and the Central Government or the Chief Controller of Imports and Exports is satisfied that without ascertaining further details in regard to such allegation, the grant of licence or allotment of imported goods will not be in the public interest, then, notwithstanding anything contained in this Order, the Central Government or the Chief Controller of Imports and Exports may keep in abeyance any application for grant of licence from such person, or direct the State Trading Corporation of India, the Minerals and Metals Trading Corporation of India, or any other similar agency to keep in abeyance allotments of imported goods to such person, without assigning any reason, and without prejudice to any other action that may be taken in this behalf :

Provided that the period for which the grant of such licence or allotment is kept in abeyance under this clause shall not ordinarily exceed six months.

8C. *Publicity of action taken under clause* 8 *or* 8A.

(ii) No publication under sub-clause (i) shall be made in relation pedient in the public interest to publish the name of any person or class of persons and other relevant particulars, against whom action under clause 8 or 8A is taken, it may publish or cause to be published, the name of such person or class of persons and such particulars in such manner at it thinks fit.

(ii) No publication under sub-clause (i) shall be made in relation to any such action until the time of presenting an appeal, if any, to the appellate authority has expired without an appeal having been presented or, the appeal, if presented, has been disposed of.

Explanation.—In the case of a firm, company or other association of persons, the names of the partners of the firm, directors, managing agents, secretaries and treasurers, or managers of the company, or the members of the association, as the case may be, may also be published if, in the opinion of the Central Government, the circumstances of the case justify it.

9. *Cancellation of licences.*—The Central Government or the Chief Controller of Imports and Exports or the Development Officer (Tools), Development Wing or any other officer authorised in this behalf may cancel any licence granted under this Order or otherwise render it ineffective;

(a) if the licence has been granted through inadvertence or mistake or has been obtained by fraud or misrepresentation;

(b) if the licence has been granted contrary to rules or the provisions of this Order;

(c) if the licensee has committed a breach of any of the conditions of a licence;

(cc) if the Central Government or such officer is satisfied that the licence will not serve the purpose for which it has been granted;

(d) if the licensee has committed a breach of any law relating to customs or the rules and regulations relating to the import or export of goods or of any law relating to the regulations of foreign exchange.

10. *Opportunity of being heard to be given.*—(1) No action shall be taken under clause 7 or clause 8 or clause 8A or clause 9 against a licensee or an importer or any other person unless he has been given a reasonable opportunity of being heard.

(2) Where any person is aggrieved by any action taken under clause 8 or 8A, he may prefer an appeal against such action to such authority as the Central Government may, by notification in the official Gazette constitute for the purpose of hearing appeals, within thirty days from the date of the communication of the action taken.

10A. *Declaration as to value, sort, quality, etc. of imported good.*—On the importation into any customs port of any goods whether liable to duty or not, the owner of such goods shall in the Bill of Entry or any other documents prescribed by rules, state the value, sort, quality and description of such goods to the best of his knowledge and belief and shall subscribe a declaration of the truth of such statement at the foot of such Bill of Entry or documents.

10B. *Utilisation of imported goods.*—(1) No person shall use any imported goods received by him during the allotment or distribution made by the State Trading Corporation of India or any other recognised agency, in a manner and for the purpose, otherwise than as declared by him in his application for such allotment or distribution or in any document submitted by him in support of such application.

(2) Subject to the provisions of clause 10C, no person shall use or dispose of any goods imported by him against a licence on the strength of a letter of authority issued in his favour under the Import Trade Control Regulations except in accordance with the terms and conditions of such letter of authority.

10C. *Power to make directions for the sale of imported goods in certain cases.*

(1) Where, on the importation of any goods or at any time thereafter, the Chief Controller of Imports and Exports is satisfied, after giving a reasonable opportunity to the licensee of being heard in the matter, that such goods cannot be utilised for the purpose for which they were imported he may, by order, direct the licensee or any other person having possession or control of such goods to sell such goods to such person, within such time, at such price and in such manner as may be specified in the direction.

(2) The price that may be specified under sub-clause (1) shall be the aggregate of the landed cost of the goods, clearing and transportation charges and such other incidental charges incurred in relation thereto as are considered reasonable in the circumstances of the case by the Chief Controller of Imports and Exports.

(2-A) Where goods are imported through the State Trading Corporation of India, the Minerals and Metals Trading Corporation of India or other similar institutions or agencies owned or controlled by the Government, or any other recognised agency, and such goods are allotted to any person, an opportunity of being heard in the matter shall be given to such person also.

(3) The licensee or the person to whom any direction has been made under sub-clause (1) shall be bound to comply with such direction.

10D. *Prohibition regarding making, signing, etc. of any declaration, statement or document* :—

(1) No person shall make, sign or use or cause to be made, signed or used any declaration, statement or document in obtaining a licence or in importing any goods knowing or having reason to believe that such declaration, statement or document is false in any material particular.

(2) No person shall employ any corrupt or fraudulent practice in obtaining any licence or in importing any goods.

10E. *Power of Iron and Steel Controller and Deputy Iron and Steel Controller.*—The powers exercisable under clauses 8, 8A or 10C shall also be exercisable by the Iron and Steel Controller or the Deputy Iron and Steel Controller, against a licensee or importer or any other person in relation to goods licensable by such officers, that is to say, iron and steel and ferro-alloy.

11. *Savings.*—(1) Nothing in this Order shall apply to the import of any goods :—

(a) by the Central Government for Defence purposes;

(b) by the Central Government or any State Government, Statutory Corporation, public body or Government undertaking run as a Joint Stock Company through the agency of the Purchase organisations of the Ministry of Works, Housing and Supply, i.e. India Stores Department, London, and India Supply Mission, Washington;

(c) by the Central Government, any State Government or any statutory corporation or public body or Government undertaking run as a Joint Stock Company, orders in respect of which are placed through the Directorate General, Supply and Disposals, New Delhi;

(d) by transhipment, or imported and bonded on arrival for re-export as ships stores or otherwise to any country outside India, except Nepal, Tibet and Bhutan or imported and bonded on arrival for re-export as aforesaid but subsequently released for use of Diplomatic personnel, Consular Officers in India and the officials of the United Nations Organisation and its specialised agencies who are exempt from payment of duty under Ministry of Finance (D.R.) Notification No. 3 dated the 8th January, 1957 and United Nations (Privileges and Immunities) Act, 1947, respectively;

(e) which are in transit through India by post, or are re-directed by post to a destination outside India, except Nepal, Tibet, Bhutan provided that such goods while in India are always in the custody of the postal authorities;

(f) for transmission across India by air to Afghanistan or by land, to any other country outside India, except Nepal, Tibet and Bhutan under claim for exemption from duty or for refund of duty either in whole or in part, provided that such goods are imported by or on behalf of the Government of a country bordering on India or that the importer undertakes to produce within a specified period evidence that such goods have crossed the borders of India or in default to pay such penalty as the Collector of Customs may deem fit to impose on such goods and provided further that nothing therein contained entitles any goods to exemption from the Export Trade Control Regulations;

(g) by the person as passengers baggage to the extent admissible under the Baggage Rules for the time being in force, except quinine falling under serial number 114 of Part IV of Schedule I exceeding five hundred tablets or $\frac{1}{4}$ lb. powder or one hundred ampules:

Provided that in the case of imports by a tourist, articles of high value whose re-export is obligatory under rule 5 of the Tourist Baggage Rules, 1958, shall be re-exported on his leaving India, failing which they shall be deemed to be goods of which the import has been prohibited under the Customs Act, 1962 (52 of 1962);

Provided further that where any goods are exempted under this sub-paragraph, the exemption shall be subject to the condition that such goods shall not be sold, or kept, displayed, advertised or offered for sale or displayed in a shop, until (a) in the case of arms, motor cycles/scooters and wireless reception instruments, the goods have been used for not less than three years after importation by such person or passenger or member of the crew, or (b) in the case of other goods their market-price has depreciated to less than fifty per cent of their market-price when new.

(gg) by any person through the post, for his personal use, or by any institution or hospital, for its own use except :—

(i) Post parcels of vegetable seeds falling under serial number 36 of Part IV of Schedule I, exceeding—one lb. in weight;

(ii) Post parcels of artificial silk piecegoods falling under serial numbers 185 and 190 of Part IV of Schedule I;

(iii) Bees falling under serial number 1 of part IV of Schedule 1;

(iv) Tea falling under serial number 25 of Part IV of the I.T.C. Schedule :

Provided that the c.i.f. value of goods imported as aforesaid at any one time from Asian and non-Asian countries shall not exceed eighty rupees and one hundred and sixty rupees.

Note.—The payments in respect of such goods other than those received as gifts, will be remittable through authorised dealers in foreign exchange with the permission of the Reserve Bank of India.

(h) covered by an Open General Licence or Special General Licence issued by the Central Government;

(i) covered by an executive instruction issued by the Chief Controller of Imports and Exports to the Customs authorities;

(j) by or on behalf of Diplomatic personnel, consular officers and Trade Commissioners in India who are exempt from payment of Customs duty under Notification 3 dated the 8th January, 1957 of the Government of India in the Ministry of Finance (Deptt. of Revenue);

(k) from any country, which are exempt from Customs duty on re-importation under Section 20 of the Customs Act, 1962 (52 of 1962) or under Customs Notification Nos. 113, dated 16th May, 1957, 103, dated 25th March, 1958, 260 and 261, dated 11th October, 1958, 269, 270, 271, 273, 274, 275 and 276, dated 25th October, 1958 and 58, dated 27th May, 1961 of the Government of India, Ministry of Finance (Department of Revenue), or Notification No. 30 dated 25th March, 1967 of the Government of India, Ministry of Finance (Department of Revenue & Insurance);

(l) of Indian manufacture and foreign made parts of such goods, exported and received back by the manufacturer(s) from the consignee for repair and re-export, provided that :—

(i) the Customs authorities are satisfied with the *bona fides* of the case, and

(ii) in the case of goods other than those exempt from customs duty on re-importation under Customs Notification No. 132, dated 9th December, 1961, a bond is executed by the importer with the Import Trade Control authority at the port concerned to the effect that the goods thus imported will be re-exported after repair within six months;

(m) by officials of the United Nations Organisation and its specialised agencies who are exempt from payment of Customs duty under the United Nations (Privileges and Immunities) Act, 1947;

(n) being vehicles as defined in Article I of the Customs Convention on the Temporary Importation of Private Road Vehicles or the component parts thereof referred to in Article 4 of the said convention and are exempt from payment of customs duty under the notification of the Government of India in the Ministry of Finance (Department of Revenue) No. 224, dated the 3rd August, 1958, as subsequently amended, provided that

(i) such vehicles or component parts are re-exported within the period specified in the said notification or within such further period as the customs authorities may allow.

(ii) the provisions of the said notification or of the 'Triptyque' or 'Carnet-De-Passage' permit are not contravened in relation to such vehicles or component parts,

failing which the provisions of this Order shall apply to such vehicles or component parts and such vehicles or components shall be deemed to be goods, the import of which has been prohibited under the Customs Act, 1962 (52 of 1962),

Provided that nothing in these exceptions shall prejudice the application to any goods of any other prohibition or regulation affecting the import of goods that may be in force at the time such goods are imported.

(o) covered by an import licence issued by His Majesty's Government of Nepal and the importer furnishes a bond to the Collector of Customs in the form prescribed by the Collector of Customs with a Scheduled Bank as surety to the effect that he shall pay the duty and any penalty imposed for contravening Import Trade Control restrictions in respect of the whole or any portion of the goods which is not proved to have entered the territory of Nepal.

(2) Nothing in this Order shall apply to the import of—

(a) drugs and medicines—

(i) by hospitals or medical institutions for their own use, provided the c.i.f. value of such goods imported at any one time shall not exceed five hundred rupees;

(ii) by any individual for his personal use provided the c.i.f. value of such goods imported at any one time shall not exceed two hundred rupees.

(b) surgical, optical and dental instruments, apparatus and appliances and dental materials, permissible for import under the import trade control policy in force at the time of importation—

(i) by hospitals or medical institutions, for their own use, provided the c.i.f. value of such goods imported at any one time shall not exceed one thousand rupees;

(ii) by registered medical practioners, for their own use, provided the c.i.f. value of such goods imported at any one time shall not exceed five hundred rupees.

(c) X-Ray films, by hospitals and X-Ray clinics, for their own use, and by laboratories for research purposes, provided the c.i.f. value of such goods imported at any one time shall not exceed five hundred rupees;

(d) scientific instruments, apparatus and appliances, replacement parts thereof and components required for the construction of scientific instruments, apparatus and appliances, by technical and research institutions or Government research and analytical laboratories, for their own use, provided the c.i.f. value of such goods imported at any one time shall not exceed one thousand rupees;

(e) artists' materials, namely, water colour tubes, canvas, brushes (made of hog or sable hair) and palette knives, by any individual for his personal use, provided the c.i.f. value of such goods imported at any one time shall not exceed one hundred and fifty rupees.

(f) High purity chemicals, by Research and analytical laboratories, for their own use, provided the c.i.f. value of such goods imported at any one time shall not exceed two hundred and fifty rupees.

Note.—The payment in respect of the goods imported under this sub-clause, other than those received as gifts will be remittable through authorised dealers in foreign exchange.

(3) Nothing in this Order shall apply to the import of foodgrains by Food Corporation of India, provided that, at the time of clearance, a declaration to the effect that the import, in question has been approved by Central Government, is furnished by the importer to the Customs authorities.

12. *Repeals.*—The orders contained in the notifications specified in Schedule IV are hereby repealed :

Provided that any thing done or any action taken, including any appointment made or licence issued under any of the aforesaid Orders, shall be deemed to have been done or taken under the corresponding provision of this Order.

SCHEDULE I

(*See* clause 3)

NOTE.—Each entry in column (2) has the same meaning as in the item of the First Schedule to the Indian Tariff Act, 1934 (XXXII of 1934), specified against it in column (3) being the item which applies wholly or in part, to the entry in column (2).

PART I

Serial No.	Name of article	Item of the First Schedule to Indian Tariff Act, 1934
1	2	3
1	Calcium Molybdate, Molyte and other Molybdenum products.	28 and 70(1)
2	Ferro-Tungsten	63(1)
3	Ferro-Molybdenum	63(1)
4	Ferro-Vanadium	63(1)
5	Ferro-Titanium	63(1)
6	Ferro-Phosphorus	63(1)
7	Ferro-Columbium (also known as ferro-niobium)	63(1)
8	Ferro-Selenium	63(1)
9	Ferro-Silicon	63(35)
10	Ferro-Chrome	63(1)
11	Refined Ferro-Manganese	63(1)
	(*a*) All grades below 3% Carbon	
	(*b*) All grades of 3% and above Carbon	
12	Silico-Manganese	63(1)
13	Silico-Spiegel	63(1)
14	Ferro-Silicon Zirconium and Ferro Boran	63(1)
	(*i*) Ferro-Silicon Zirconium (*ii*) Ferro Boran	
15	Iron or steel angle, channel, tee, flat beam or joist, zed, trough and piling.	63(2)
16	(*a*) Iron or steel rounds, rods, squares, hexagons and other sections and shapes and whether black or bright	63(3), 63(14), 63(19), 63(20), 63 (25) and 63(36)
	(*b*) High speed, alloy and carbon tool steel sections, stainless and heat resisting steels.	

1	2	3
16-A	M. S. Bright Free Cutting quality (high sulphur and/or (Led—loy) Bars, Rounds, Rods, Squares, Hexagons, Octagons and Flats and other sections including Steel Shaftings (Reeled), Bright drawn turned and polished bars.	
17	Iron and steel pipes and tubes and fittings therefor including valves and boiler tubes cut to shape and size, and unscrewed mild steel tubes or cycle frames in lengths and cut to size, and but excluding non-ferrous pipe fittings, flexible metalic tubes, and brass/copper coated tubes.	63(6), 63(7), 63(17), 63(18), 72(3).
	(*i*) Iron and steel valves, strainers and hydrants and parts thereof	
	(*ii*) (*a*) Boiler tubes in full length or cut to shape and size.	
	(*b*) Cast Iron pressure pipes and specials	
	(*c*) Oil line pipes and tubes	
	(*d*) Steel/Wrought Iron Pressure Pipes and tubes (coated or uncoated) excluding stainless steel tubes.	
	(*e*) Mechanical tubing welded including mild steel tubes for cycle frames in lengths cut to size	
	(*f*) Mechanical tubing (seamless)	
	(*g*) Stainless steel pides and tubes	
	(*iii*) Pipes or tubes flexible, for passings gas or fluid under pressure and telescopic flush pipes.	
	(*iv*) (*a*) Wrought Iron Steel pipe fittings n.o.s.	
	(*b*) Other steel pipe fittings, n.o.s.	
	(*v*) Cast iron Pressure pipes :	
	(*a*) Spun pipes.	
	(*b*) Sand Cast pipes.	
18	Iron or steel plates, medium plates, sole plates, terneplates, black plates, sliver finished plates including cast iron and plates.	63(7), 63(19) and 63(20)
19	Steel ingots and iron or steel, blooms, billets and slabs excluding pieces of less than 1-2 inches squares or thick.	63(8)
20	Iron and Steel structures, fabricated partially or wholly if made mainly or wholly of iron or steel bars, sections, plates or sheets for the construction of buildings and colliery arches or pit props and parts thereof.	63(9) 63(28), 63(30)
21	Steel tinplates and tinned sheets, including tin taggers and cuttings of such plates, sheets or taggers.	63(10)
22	Iron and Steel bolts, nuts, set screws, machine screws and machine studs but excluding bolts, nuts and screws adapted for use on cycles :	63(12), 63(13) (65)(5) 75(1)

1	2	3
	(*a*) Machine screws, Set screws, and Machine studs.	
	(*b*) Others	
23	Iron and steel hooks and strips	64(14)and 63(34).
24	Iron and Steel rivets and bifurcated rivets :— . . .	63(15)
	(*a*) Bifurcated rivets	
	(*b*) Tinmen's rivets	
	(*c*) Others	
25	Iron and steel roofing nails, k.k. nails, rose nails, horse and bullock shoe nails, dowel nails, chair nails, clout nails, boat panel pins and washers, all sorts, not otherwise specified	63(16)
	(*a*) Panel pins of size 1 and below	
	(*b*) Panel pins of over 1 size (*i.e.*, wire nails)	
	(*c*) Deleted	
	(*d*) Others	
26	(*i*) Iron and steel sheets, less than 3 mm, coated and uncoated, galvanised, cellactitie, including tinmilc Black Plates and (*ii*) H[illegible] Steel sheets, excluding laminatic[illegible] nchings	63(20), 63(28) and 63(31)
27	Iron or steel rails, sleepers or fish plates for railways and tramways; Dog spikes, chain spikes and screw spikes (*i.e.*, Railway fittings other than Fish Plates).	63(21), 63(22) and 63 (23)
28	Malleable Iron Castings including malleable iron pipe fittings etc.	63(22)
29	Steel wire ropes or wire strand (stranded wire) . .	63(24)
30	Iron or steel wire whether plain or barbed (excluding uncoated electrodes)	63(24),63 (25), 63(32)
31	Iron or steel wire nails	63(25)
32	Deleted	
33	Deleted	
34	Iron or steel wire rods coated or uncoated (excluding electrodes)	(63)(3), 63(25) and 63(28)
35	Iron and Steel wire netting:	63(28)
	(*a*) Iron and Steel wire netting of all sorts (excluding Stainless Steel wire netting)	
	(*b*) Stainless Steel wire netting	

1	2	3
35-A	Iron and Steel welded fabrics (other than bar and rod) specially designed for the reinforcement of concrete.	63(26)
36	Iron or steel wire chain link fencing, wire mesh wire staples (excluding machine staples) and boot and shoe grindery :	63(16) 63(25) 63(28), 20, 28, 22(3) and 87.
	(*a*) Wire chain link fencing	
	(*b*) Iron or steel stapling wire, including copper coated stapling wire galvanised or black (excluding machine staples)	
	(*c*) Boot and shoe grindery, the following namely:—	
	(*i*) Machine tacks	
	(*ii*) Tacks anchor for shoes (for use on machines)	
	(*iii*) Plugs tips flange	
	(*iv*) Wire required for lasting of boots and shoes	
	(*v*) Slugging wire	
	(*vi*) Rand and tacking wire	
	(*vii*) Milled tacking wire	
	(*viii*) Screwing wire	
	(*ix*) Autosoler wire	
	(*x*) Rivets for shoes	
	(*xi*) Nails for fixing heel tips and toe plates	
	(*xii*) Nails for fixing rubber	
	(*xiii*) Buckets for shoes	
	(*xiv*) Heel tips	
	(*xv*) Toe plates	
	(*xvi*) Light cut hand tacks for shoes and tingles for shoes	
	(*xvii*) Blue cut and/or Bright cut tacks	
	(*xviii*) Heel pins	
	(*xix*) Iron or steel shoe eyelets including those enamelled or celluloid dipped (but excluding brass shoe eyelets) and hooks for boot and shoes.	
	(*xx*) Cutlan nails, bills, hobs, stud, pronged protectors (but excluding heel tips and toe plates and spikes for boots and shoes.)	

1	2	3
	(*xxi*) Steel shoe shanks	
	(*xxii*) Grooved Tacks	
	(*d*) Wire Mesh	
	(*e*) Others	
37	Shell steel	63(28)
38(a)	Grey Iron castings	63(11)and
38(b)	Alloy Iron casting	63(28)
38-A.	Iron and steel chains including roller chains and other industrial chains and parts thereof, all sorts :—	
	(*a*) Industrial steel roller chains all types including transmission/driving/timing chains used in Automobiles and parts there of.	72(d),75(7A),75(10)(iii),75(2), 72(3), 72(A)(ii)
	(*b*) Steel Industrial chains all types other than those specified in (a) above including PIV-Gear chains, conveyors chains etc., and parts thereof.	72(d), 73(40)(b), 72(A)(i)(c),72(40)(b) 72(A)(i).72(A)(i)(c),
	(*c*) Ship chains and Hoisting chains, *viz.*, wrought iron & steel stud link chains for anchoring hoisting etc., including welded link chains and all other types of link chains and parts thereof.	63(ii), 63(28), 74(3).
	(*d*) Other types of miscellaneous iron and steel chains including items coming under miscellaneous hardware such as key chains, dog chains etc. n.o.s. and parts thereof.	71(b),63(28).
39	Steel die blocks	63(28)
39-A	Steel castings Unmachined	63(28)
39-B	Alloy Steel casting (unmachined)	
40	Unmachined steel forgings	63(28)
40-A	Old Iron and steel, including defective cuttings and remelting scrap.	63
41	Copper, wrought including the following, *viz.*, rod, section, strip, tape foil, pipe, sheet including highly polished sheet specially prepared for making process blocks, lithographic sheets and the following manufactures, *viz.*, copper perforated sheets and sheet cut to size, tubes, rods and pipes cut to shape and size.	64, 64(3), 64(4) 64(5) 72(2) and 72(3)
	(*i*) Copper, wrought in the following forms, *viz.*, tape foil, highly polished sheet specially prepared for making process blocks, lithographic sheet and copper perforated sheet.	
	(*ii*) Copper wrought in the following forms, *viz.*, rods sections, pipes, tubes, plates, sheets, circles and strips in coiled form or straight length cut to shape and size.	
	(*iii*) Copper flexible pipes or tubes, for passing gas or fluid under pressure.	

1	2	3
42	Copper scrap whether ingotted or otherwise	64(1)
43	Lead wrought including the following *viz.*, pipes, tubes, foil, wire and sheets including sheet for tea chests.	67,67(1)and 67(2)
43-A	Lead ingot, pigs and lead scrap.	67(3)
43-B	Antimonial lead in the ingot and wrought form including the following *viz.*, pipes, tubes and sheets.	70(1)
44	Zinc or spelter unwrought including mazak alloys of zinc and aluminium containing not less than 94 percent zinc zinc dross, dust ashes and zinc in the form of ingots, cakes, tiles, slabs, plate and granulations including all forms of zinc scrap, zinc wrought including wire,rods, sections, sheets including highly polished sheets especially prepared for making process blocks, lithographic sheets and the following manufactures, *viz.*, zinc perforated sheets cut to size.	68,68(1),68(2),68(3), 72(2) and 72(3)
	(*a*) Zinc or spelter, unwrought in the form of ingots, cakes, tiles and slabs.	
	(*b*) Zinc scrap, zinc dross and zinc ashes.	
	(*c*) Zinc granulations and dust.	
	(*d*) Zinc wrought including wire rods, section, plain sheets (including perforated sheets cut to size and shape).	
	(*e*) (*i*) Photo engravers' zinc sheets including highly polished quality.	
	(*ii*) Lithographic zinc sheets/plates for offset printing.	
	(*f*) Others	
45	(*a*) Tin block and tin scrap . . . . . } (*b*) Tin plate scrap }	69 and 69(1)
45-A	Tin wrought, including the following *viz.*, foil and wire	70(1)
45-B	White metal (antifriction metal), solders (including cored) and printing metals.	69(2)
46	(*i*) Brass, bronze and similar alloys wrought including the following *viz.*, wire, rod, section, sheet pipe, tube; unwrought and in the form of ingot and scrap whether ingotted or otherwise and the following manufactures, *viz.*, perforated sheets, sheets cut to size and pipe, rod and tube cut to shape and size including manufactures of nickel alloys and nickel chrome alloys but excluing chemical or imitation gold.	65,70,70(A),70(4) 70(6) and 72(3)
	(*ii*) Nickel base alloys and Nickel chrome alloys including manufactures and scraps there of.	
	(*a*) Brass, bronze and similar alloys, unwrought and in the form of ingot and scrap whether ingotted or otherwise and the following manufactures, *viz.*, perforated sheets.	

1	2	3
	(*b*) Nickel base alloys and nickel chrome alloys including manufactures and scraps thereof.	
	(*c*) Brass, bronze and simialr alloys, wrought including the following *viz.* wire, rod, section, sheet, pipe and tube and the following manufactures, *viz.*, rod and tube cut to shape and size but excluding chemicals or imitation gold.	
	(*d*) Bronze flexible pipes or tubes for passing gas or fluid under pressure.	
47	Copper, unwrought in the form of ingots, blooms, slabs, cakes, tiles, bricks, blocks, billet cathodes, blister bars, electrolytic wire bars and ingot bars.	64(2)
47-A	Antimony ingot regulus and star metal	70(1), 70(2) and 70(3)
48	Nickel including Nickel scrap in all forms excluding manufactures thereof but including nickel pellets and nickel anodes.	65(1) and 70(1)
49	All copper base alloys including Phosphor copper and cupronickel and scrap of such alloys in all forms but excluding all manufactures.	70(1)
50	Monel metal unwrought	70(1)
51	Tungsten metal in all forms including alloys, all manufactures, semis and products thereof.	70(1)
52	Molybdenum metal in all forms including alloys, all manufactures, semis and products thereof.	70(1)
53	(*a*) Calcium-Manganese Silicon (*b*) Calcium Silicide	70(1) and 87
54	Iron and steel screws, all sorts, including gimlet points	63(33) and (71)
	(*a*) Wood screw of the following description:—	
	1. Countersunk Head Wood screws lathe pointed.	
	2. Galvanised Cone Head Roofing Screws.	
	3. Galvanised Cone Head Cutter Wood Screws.	
	4. Galvanised Mush Room Head Cutter Wood Screws.	
	5. Large Head Coffin Screws.	
	6. Square Head Coffin Screws.	
	7. Dowell Screws.	
	8. Laying-in-Screws.	

1	2	3
	9. Phillips Recessed Wood Screws.	
	(*b*) Wood screws of the types specified below :—	
	1. Counter sunk Head Wood screws.	
	2. Counter sunk Head Household assortment.	
	3. Counter Sunk Head wormed to head.	
	4. Round Head Wood Screws.	
	5. Raised Head Wood Screws.	
	6. Cheese Head Wood Screws.	
	(c) Iron and Steel Screws of the following description :—	
	1. Coach, Screws, Square and Hexagonal Head.	
	(2) Self-Tapping Screws (Sheet Metal Screws) Including Hammer Drive Screws.	
55.	Steel earth wire for electric installations	72(3)
	(*i*) Earthwire (stranded)	
	(*ii*) Steel earth wire for hydro-electric installations.	
55-A	Rolling Mill rolls (whether of cast iron, cast steel or forged).	72(3)
56	Fabricated iron and steel sheets, for the construction of coal tubs and fabricated galvanised iron sheets for roofing railway wagons.	74
57	Iron and steel tyres, axles, wheels and buffers for locomotives wagons and carriage whether for railway or tramways, and iron or steel railway or tramways springs whether laminated or coiled.	72(3), 74, 74(1), 74(3), 75 and 75(4)
	(*a*) Iron or steel tyres, axles and wheels.	
	(*b*) Iron or steel buffers for locomotives, wagons and carriages, whether for railways or tramways.	
	(*c*) Coil springs of Iron and Steel for motor vehicles, railway and tramways.	
	(*d*) Leaf/laminated spring assembly for motor vehicles, railways and tramways.	
	(*e*) Industrial coil springs, flat and other formed springs including precision springs excluding hair springs for watches/clocks etc.	
	(*f*) Coil springs of non-ferrous metals.	
	(*g*) Leaves for laminated springs of Iron and steel.	
58	Locomotive pistons, rods and motion parts . . .	72 and 72(3)
59	Pig Iron	63(4)

1	2	3
	PART II	
1	Dry battery wax, red and black, wooden separators and sealing compounds for batteries and accumulators—	15, 73(7) and 87
	(*a*) Wooden separators,	
	(*b*) Dry battery wax, red, black, etc.	
2	Deleted.	
3	Raw Manila hemp (Fibre)	46(4)(*a*)
4	Raw hemp excluding raw Manila hemp (Fibre) . . .	46(4)
5	Raw sisal fibre.	46(5)
6	Aloe Fibre	46(5)
7	Sisal yarn	53
	PACKING AND JOINTING MATERIALS	
7-A	Asbestos manufactures, not otherwise specified . .	58(1)
	(*a*) Asbestos yarn, packings, Rope lagging and asbestos textile products, all sorts.	
	(*b*) Compressed Asbestos Fibre jointing sheets, mill board Ferrobestos.	
	(*c*) Asbestos based products for electrical insulation and products not otherwise specified.	
7-B	Non-asbestos Packing and boilers all sorts, not otherwise specified.	58(2)
7-C	Steam pneumatic and hydraulic Non-asbestos packings for all machinery.	72(3)
8	Ready made boiler Non-asbestos packing . . .	72(3)
	METALS AND MANUFACTURES THEREOF	
9	Iron and steel, and articles made thereof excepting those covered by Parts, I, IV, V and VI of this Schedule (including coated and uncoated electrodes both rod and wire) and including non-ferrous pipe fittings, telescopic flush tubes, brass/copper coated tubes but excluding old iron and steel and articles made thereof ;	63(1)to 63(28)
	(*a*) Machined Steel balls above 9/16 dia.	
	(*b*) Machined Steel balls 9/16 dia and below.	
	(*c*) Unmachined Steel Balls.	
	(*i*) Grinding machined Steel balls.	
	(*ii*) Forged Steel balls.	

1	2	3
	(*d*) (*f*) Coated or uncoated arc welding electrodes	
	(*i*) Iron or steel coated and uncoated rods wire, foils and strip for gas welding and brazing.	
	(*e*) Steel drums and barrels.	
	(*f*) Welded wire mesh.	
	(*g*) Rollers/needle rollers both machined and unmachined.	
	(*h*) Chilled Iron and Steel shots/grits.	
	(*i*) Steel cut wire grits.	
	(*j*) Others.	
10	Manufactures of copper, excluding scrap and those mentioned in Part I of the Schedule :	
	(*a*) Rods, wire, foil and strip made of copper for gas welding and brazing.	
	(*b*) Copper wire (other than bare hard drawn electrolytic copper wire).	
	(*c*) Others including copper powder.	
11	German Silver (including nickel silver) including semimanufactures and scraps there of.	65
12	Aluminium circles, sheets, strips and other manufactures, not otherwise specified.	66
13	Aluminium in any crude form, including ingots, bars, blocks, slabs, billets, shots and pellets.	66(1) and 66(2)
14	Deleted.	
15	Zinc or spelter, manufactures, not otherwise specified, excluding scraps, and those mentioned in Part I of this Schedule.	68
16	Manufactures of brass, bronze and similar alloys not otherwise specified excluding scrap and chemicals or imitation gold and those mentioned in Part I of the Schedule :	70 and 70(6)
	(*a*) Electrodes made of brass, bronze and other similar alloys and rods, foil, wire and strip, made of brass, bronze and other similar alloys for gas welding and brazing.	
	(*b*) Sintered Bronze, self-lubricating Bushes and Bearings (popularly known as Oilite Bushes).	
	(*c*) Other sintered metal parts/components.	
	(*d*) Others.	
17	All sort of metals and alloys other than Iron and Steel and manufactures thereof, not otherwise specified excluding those mentioned in Parts I, IV, V and VI of the Schedule.	70(1), 70(7), 70(8) and 70(9)
	(*a*) (*i*) Cadmium, cobalt, manganese, magnesium, bismuth, chromium, vanadium and other virgin non-ferrous metals not otherwise specified and	

1	2	3
S. No. 17(a) (*i*)—*contd.*	manufactures thereof including Nickel manufactures and also including monel metal manufactures, Dental silver alloy in 1 and 5 oz. packing, aluminium lead-winged, glazing bars and magnesium powder, but excluding non-ferrous semi manufactures and alloys and also excluding Electrodes, rod, foil, wire and strips for gas welding and brazing made of alloys not otherwise specified.	
	(*ii*) All non-ferrous welding electrodes/rods/wires/strips/foil/special shapes made of pure metals or alloys thereof, for purpose of gas welding and brazing.	
	(*iii*) Non-ferrous electroplating Anodes of all non-ferrous metals like Nickel, Cadmium, Chromium, Bismuth, Copper, Zinc, Lead, Tin, Antimony, etc.	
	(*b*) Non-ferrous resistance alloys and bi-metal semi-manufactures like rods, strips, wires, foils etc.	
	(*c*) Aluminium alloy items (other than those used in aircraft construction) containing not more than 99% of aluminium in the form of plates, sheets, circles, strips, rods, bars, tubes, sections, wires and rivets.	
	(*d*) Aluminium scrap.	
	(*e*) Others.	
18	Racks for withering of tea leaves	71(6)
	BEARINGS	
19	(1) Ball Bearings—	71, 72(3), 72(35) to 72(38).
	(*i*) Ball bearings of 1" bore (internal) diameter and below as specified in Appendix 14(1)(*a*) and 14(1)(*b*).	
	(*ii*) Ball bearings of 1" bore (internal) diameter and below other than those specified in Appendix 14(1)(*a*) and 14(1)(*b*).	
	(*iii*) Ball bearings above 1" bore (internal) diameter upto and including 2" bore (internal) diameter as specified in Appendix 14(2)(*a*) and 14(2)(*b*).	
	(*iv*) Ball bearings above 1" bore (internal) diameter and upto and including 2" bore (internal) diameter other than those specified in Appendix 14(2) (*a*) and 14(2) (*b*).	
	(*v*) Ball bearings above 2" bore (internal) diameter and upto and including 3" bore (internal) dia. meter as specified in Appendix 14(3) (*a*) and 14(3) (*b*).	
	(*vi*) Ball bearings above 2" bore (internal) diameter and upto and including 3" bore (internal) diameter other than those specified in Appendix 14 (3) (*a*) and 14(3) (*b*).	

1	2	3
S. No. 19—*contd.*		
	(*vii*) Ball bearings above 3" bore (internal) diameter as specified in Appendix 14 (4) (*a*) and 14 (4) (*b*).	
	(*viii*) Ball bearings above 3" bore (internal) diameter other than those specified in Appendix 14 (4) (*a*) and 14(4) (*b*).	
	(*ix*) Component parts of ball bearings not otherwise specified.	
19	(2) (*i*) Roller bearings including needle roller bearings and needle roller assemblies.	72(3), 72(38) and 75(11).
	(*a*) Component parts of Cylindrical roller bearings including accessories such as sleeves, nuts and washers not otherwise specified.	
	(*b*) Cylindrical roller bearings other than those specified in Appendix 14(5).	
	(*ii*) Component parts of cylindrical roller bearings including accessories, such as sleeves, nuts and washers not otherwise specified.	71, 72 (3),72 (38) and 75(11).
19	(3) (*i*) (*a*) Taper roller bearings as specified in Appendix 14 (6).	71, 72(3), 75(4), 75(11).
	(*b*) Taper roller bearings other than those specified in Appendix 14 (6).	
	(*ii*) Component parts of tapered roller bearings including accessories such as tapered rollers, sleeves, nuts and washers.	71, 72(3), 75(4) and 75(11).
19	(4) (*i*) Spherical Roller bearings.	
19	(4) (*ii*) Component parts of spherical roller bearings including accessories such as spherical rollers, sleeves, nuts and washers.	
19	(5) (*i*) Needle Bushes/Shell type needle bearings/Thin shell Needle bearings/Drawn up needle bearings including needle roller bearings complete specified in Appendix 14(7)(a)	
19	(5) (*ii*) Needle Bushes/Shell type Needle Bearings/Thin Shell Needle Bearings/Drawn cup Needle Bearings including Needle Roller Bearings complete specified in Appendix 14(7)(b).	
19	(5) (*iii*) Needle bushes/Shell type needle bearings/Thin Shell Needle bearings/Drawn cup needle bearings including Needle Roller bearings complete other than those specified in Appendix 14(7)(a) & (b).	
19	(5) (*iv*) Component parts of Needle Roller Bearing/Needle Roller Bushes including accessories such as cages, sleeves etc., not otherwise specified.	
	SMALL TOOLS AND HAND TOOLS	
20	(1) Metal-working tools :	71 & 72(3).
	(*a*) Tools and cutters tipped with either Tungsten Carbide or Stellite solid or Ceramic or other oxide tips (including inserted types) and spare tips and bits thereof excluding tools, tips and bits made out of steel which fall under S. No. 20(1)(*b*)/II or S. No. 20(1)(*c*)/II.	

1	2	3
S. No. 20—*contd.*		
	(*b*) Milling Cutters, Gear Cutters, End Mills, Slitting Saws, taps, dies and other thread forming tools.	
	(*c*) Metal working saws (including power operated hacksaw blades), wire, tube and bar drawing dies and nibs or pellets and other metal working tools (machine worked) not specified elsewhere.	
	(2) wood-working tools :	71 & 72(3).
	(*a*) (*i*) Circular saws, inclusive of inserted blade types.	
	(*ii*) Wood working band saws.	
	(*iii*) Other machine worked saws.	
	(*b*) Machine worked cutters including all machine worked wood-working tools not elsewhere specified.	
	(3) The following hand tools :	71 & 72(3)
	(*a*) (*i*) Files and Rasps	
	(*ii*) Emery wheel dressers and cutters.	
	(*iii*) Glass cutting or writing diamond tools.	
	(*b*) (*i*) Tube expanders, Hand saws other than fret or piercing saws.	
	(*ii*) Hacksaw blades.	
	(*iii*) Fret or piercing saws and coping saws.	
	(4) (*a*) Adjustable hand reamers or expanding reamers.	71 & 72(3)
	(*b*) Twist drills and reamers less than 1.190 mm dia.	
	(*c*) Carbide tipped drills and reamers less than 1.190 mm dia.	
	(*d*) Twist drills and reamers of 1.190 mm dia and above.	
	PRECISION AND MEASURING TOOLS	
21	The following precision and measuring tools :	71, 72(3) and 77.
	(1) Micrometers, Universal Surface Gauges, Vernier Height Gauges, Vernier Depth Gauges, Micrometer Depth Gauges, Rule Depth Gauges, Planer and Shaper Gauges, Taper Parallel Gauges, Screw Pitch Gauges, Fillet and Radius Gauges, Feeler Gauges, Thickness Gauge Stocks, Twist Drill and Machine Screws tap Gauges, Calliper and Wire Gauges, Drill and Wire Gauges, Jobbers Drill Gauges, Drill Point and Depth Gauges, Rolling Mill Gauges, English Standard Wire Gauges, Dial Gauges, Dial Test Indicators, Lathe Test Indicators, Straight Edges, Indicator Attachments, Vernier Callipers, Universal Bevel Protractors, Protractors, Combination Sets, Stainless Steel Draftsman's Protractors, Gear Tooth Verniers, Speed Indicators, Hardened Ground Steel Parallels,	

1	2	3
	Die Makers Squares, Hardened Steel Squares, Universal Bevels, Combination Squares, Automatic Centre Punches, Combination Calliper and Dividers, Steel Rules, Measuring Tapes, Feeler Gauges Strips and also such other measuring tools and instruments used in the engineering workshop and industry for measuring or gauging or checking or comparing physical dimensions.	
	(2) Tool Maker's Buttons.	
	ABRASIVES	
22	Sand paper and glass paper	30 and 30(9).
23	Valve grinding pastes and compounds	32(3)
24	Grinding wheels and segments, abrasives, grinding belts, rolls and discs—	71(8), 81(12) and 72(3).
	(*a*) (*i*) Diamond lapping wheels or grinding wheels impregnated with diamond dust.	
	(*ii*) Other manuactures of synthetic abrasive grains—impregnated with diamond dust.	
	(*b*) Grinding wheels and segments.	
	(*c*) Others.	
25	Carborundum files, abrasive bricks, emery powder, emery grain, emery cloth, emery paper, abrasive grain and carborundum powder—	30(10) and 87.
	(*a*) Emery fillets.	
	(*b*) Crocus paper and emery polishing papers of standard micron gradings.	
	(*c*) Water proof abrasive paper and cloth.	
	(*d*) Emery grain, emery powder, abrasive and carborundum grain and powder.	
	(*e*) Others.	
	CRUCIBLES	
26	(1) Graphite Crucibles for pit furnaces	87
	(2) Graphite Crucibles including covers, mufflerings and stands for tilting furnaces.	72(*c*) and 37.
	(3) Silicon Carbide Crucibles for pit fired furnaces . .	87
	(4) Silicon Carbide Crucibles for tilting furnaces . .	72(*c*)
	BELTING	
27	Belt cement	32(3)
27-A	Belt dressing	32(3) and 33.

1	2	3
28	Belting for machinery all sorts, including belt laces and belt fasteners :—	50(3), 72 and 72(13).
	(1) Leather laces.	
	(2) Leather belting.	
	(3) Deleted.	
	(4) V-Belts, V-Belts endless—made of leather or rubber.	
	(5) Hair Belting.	
	(6) Cotton belting, cotton rubberised belting, cotton bituminised belting.	
	(7) Spindle tape.	
	(8) Conveyor belting :—	
	(*a*) Rubber covered conveyor belting.	
	(*b*) Steel conveyor belts.	
	(9) Rubber ply transmission belts.	
	(10) Balata belting.	
	(11) Endless flat belts, endless cone drum belts and endless made up machine belts.	
	(12) Single Bolt Belt fasteners.	
	(13) Double Bolt Belt fasteners.	
	(14) Deleted.	
	(15) Deleted.	
	(16) Steel belt lacing (Alligator types).	
	(17) Steel belt lacing (other than Alligator types)..	
	(18) Others.	
	MACHINERY	
29	Powder driven road rollers and component parts thereof.	72(*a*) and 72(3).
30	Diesel engines of all types and component parts thereof except spare parts for internal combustion engines of road vehicle type :—	72(a) and 72(1).
	(*a*) Diesel engines of 0-3 H.P.	
	(*b*) Diesel engines above 3 H.P. and upto and including 30 H.P.	
	(*c*) Diesel engines above 30 H.P.	
	(*d*) Marine type diesel engines (*i.e.*, an engine usually supplied with bell housing, carrying reverse gear and clutch in which water circle is protected with zinc coating or is made of bronze and starting contrivance is at high level to facilitate hand starting).	

1	2	3
S.No. 30—*contd.*		
	(*e*) Diesel engine of road vehicular type excluding spares thereof.	
	(*f*) Spare parts of diesel engines other than spares for road vehicular type diesel engines :—	
	(*i*) Fuel injection equipment and component parts thereof.	
	(*ii*) Air cleaners.	
	(*iii*) Others.	
31	Petrol, Gas and Kerosene engines of the types (excluding automobile units) and component parts thereof except spare parts for petrol internal combustion engines of road vehicular type :—	72(a) and 72(3).
	(*a*) Complete engines.	
	(*b*) Parts thereof.	
	(*c*) (*i*) Out-board motors upto and including 5 H.P.	
	(*ii*) Out-board motors above 5 H.P.	
31-A	Patrol/Gas/Kerosene engines of Road Vehicular type.	
32	Motors and Generators of any type or design and component parts thereof—	72(b), 72(3) and 72(14).
	(*a*) Fractional horse power motors (including motors upto one H.P.) suitable for D.C. supply or single phase.	
	(*b*) A.C. 3 phase, squirrel cage and slipring motors upto 200 H.P. conforming to details of construction and design as given below : —	
	(*i*) Type-Standard High Torque (including loom motors) smooth acceleration.	
	(*ii*) Voltage—upto 550.	
	(*iii*) Spindle—Horizontal or vertical.	
	(*iv*) Enclosure—Screen protracted/dip-proof totally enclosed (including fan cooled).	
	(*c*) Motors of the types mentioned in (*b*) above but from above 200 H.P.	
	(*d*) Other types of motors.	
	(*e*) Parts of Motors.	
	(*f*) Electric Generators.	
	(*g*) Generating Sets.	
	(*h*) Parts of Generato rs.	

1	2	3
33	Pneumatic plants consisting of Prime movers and auxiliary equipment including parts thereof and portable electric tools and parts thereof.	72(*b*), 72(3), 72 and 73.
33-A	Industrial Exhaust Fans and Blowers	72(*b*), 72(3), 72(6) and 73(18).
33-B	Compressors air or gas portable or stationary but not being imported as an integral part of any spray painting or refrigerating or air-conditioning equipment or as component parts of any engine.	72(b), 72(3) and 72(6).
34	Power driven pumps and component parts thereof excluding trailer pumps :—	72(b), 72(3) and 72(6).
	(*a*) (*i*) Special for pumps fused caustic soda or acids.	
	(*ii*) Vacuum pumps electric either complete with or without base plate and motor of capacity not exceeding 1/2 H.P. for use in laboratory provided the motor is not of the prohibited type.	
	(*b*) Power driven pumps and pumping sets driven either by internal combustion engines or by electric motors or by any other source of power.	
	(*c*) Spare parts of power driven pumps excluding trailer pumps.	
34-A	Polishing bobs and wheels, scratch brushes and scouring brushes which are component parts of polishing machines.	72(3) and 72(6).
35	Manual operated pumps and component parts excluding stirrup pumps :—	
	(*a*) Petrol and oil pumps and parts thereof.	
	(*b*) Other types of hand pumps.	
	(*c*) Parts.	
36	The following articles of machinery not otherwise specified in this schedule when required for jute industry, hemp industry, tea industry, iron and steel production work, electric supply undertakings and mines and quarries :—	
	(1) Prime movers, boilers, locomotive engines and tenders for the same, portable engines (including fire engines) and other machines, in which the prime mover is not separatable from the operative parts.	72(a)
	(2) Machines and set of machines to be worked by electric, steam, water, fire or other power not being manual or animal labour or which before being brought into use requires to be fixed with reference to other moving parts.	72(b)
	(3) Apparatus and appliances not to be operated by manual or animal labour which are designed for use in an industrial system as parts indispensable for its operation and have been given for that purpose some special shape or quality which would not be essential for their use for any other purpose.	72(c)

1	2	3
	(4) Control gear (other than electric self acting or otherwise) and transmission gear (other than electric) designed for use with any machinery above specifieed, excluding driving ropes not made of cotton and beltings.	72(d)
	(5) Component parts as defined in Import Tariff item No. 72(3) of machinery specified in clauses (1), (2), (3) and (4) above excluding those covered by Serial No. 68 of Part V of this Schedule.	72(3)
	(6) Machines or parts of machines to be worked by manual or animal labour, not otherwise specified and any machines (except) such as are designed to be used exclusively in industrial processes which require for their operation less than one quarter of one brake horse power excluding typewriters and sewing machines and parts thereof, duplicators of all types and also excluding those machines and/or parts thereof which are included in Appendix 35.	72(6)
36-B	The following hardware iron mongery and tools, namely agricultural implements, not otherwise specified and pruning knives and parts thereof :—	71 (1)
	(*a*) Pruning knives.	
	(*b*) Tungston carbide/tipped spares for mining and other industrial machinery.	
	(*c*) Others.	
37(1)	The following textile machinery and apparatus by whatever power operated when required for jute and hemp textile industries, namely, healds; heald cords and heald knitting needles; reeds and shuttles; warp and weft preparation machinery and looms; bobbins; dobbies; jacquard machines; jacquard harness linen cords; jacquard cards; punching plates for jacquard cards; warping mills; multiple box sleys; solid border sleys; tape sleys; swivel sleys; tape looms; heald knitting machines; dobby cards lattices and lags for dobbies; sizing machines; doubling machines; cone winding machines; piano card cutting machines; harness building frames; card lacing frames; drawing and denting hooks; sewing thread ball making machines; cumbli finishing machinery; hank boilers; mail eyes; lingoes; take up motions; temples and pickers; picking bands; picking sticks; printing machines :—	72(1), 72(3) and 72(40).
	(*a*) Jute bobbins,	
	(*b*) Pickers.	
	(*c*) Shuttles.	
	(*d*) Picking bands.	
	(*e*) Picking sticks.	
	(*f*) Other Jute Mill Stores coered by this Serial No.	

1	2	3
37(2)	Component parts as defined in Import Tariff Item No. 72(3) of machinery specified in clause (1) above, excluding those covered by S.No. 68 of Part V of this Schedule.	72(3)
37-A	The following component parts of machinery when required for the Railways :—	72(3)
	Component parts, not otherwise specified in this Schedule of Machinery as defined in item 72(*a*) of the first Schedule to the Indian Tariff Act, 1934 namely, such parts only as are essential for the working of the machines or apparatus and have been given for that purpose some special shape or quality which would not be essential for their use for any other purpose and excluding articles covered by Part VI of this Schedule. Provided that the articles which do not satisfy this condition shall also be deemed to be component parts of the machine to which they belong if they are essential to its operation and are imported with it in such quantities as may appear to the Collector of Customs to be reasonable.	
	ELECTRICAL GOODS	
38	Electric insulation including press—pahn (electrical grade) but excluding ebonite rods, tubes and sheets.	45, 73-82 (5) and 87
[38-A	Electric Bulbs not otherwise specified :	60(2) and 60(5) and 73.
	(*a*) General lighting service lamps upto 1,000 watts in all finishes including frosted, inside white opal and day light blue.	
	(*b*) All types of train lighting and cablight lamps.	
	(*c*) Studio electric and projector bulbs.	
	(*d*) Flourescent tubes.	
	(*e*) Motor car lamps.	
	(*i*) Auto bulbs, all sorts.	
	(*ii*) Sealed beam units all types.	
	(*f*) Other lamps.	
39.	The following electrical instruments and accessories :—	71, 72(2), 72(3), 73, 73(1), 73(5).
	(*a*) Indicating Switch Board and Controller Mounting Instruments (Voltmeters, Ammeters, Wattmeters, Power Factor Meters, Frequency Meters, Synchroscopes), Recording Instruments, Permanent fixing, recording Voltmeters, Ammeters, Wattmeters, Maximum Demand Meter, Instrument Transformers.	73 (16) and 77(2).
	(b) (i) Portable Instruments (Portable moving coil and moving Iron Voltmeters, Ammeters, Wattmeters, Power Factor Meters, Frequency Meters), Insulation Testers, and Accessories, Ohmeters, Capacity Meters, Wheat stone Bridge, Fault Locating Sets, Potentiometers, Time Switches, G.P.O.	

1	2	3
	Detectors, Standard Accessories such as Connecting Leads, Compensating Leads, Standard Cells, Resistance Boxes and Galvanometers for use with Instruments.	
	(II) House Service meters, A.C. and D.C. of any capacity.	
	(iii) Thermocouples and pyrometer.	
	(c) Industrial and street light fittings and flood lights, electrical wiring accessories, conduit accessories, bell wiring accessories (excluding wire).	
40	Cable accessories	72 (3) and 73
41	Deleted.	
41-A	Synthetic graphite and amorphous carbon electrodes as used in electric furnaces for production of Iron, Steel Ferro alloy and non-ferrous metals, Synthetic graphite and amorphous carbon electrodes for use in electrolytic processes, electrodes paste and carbon furnace (Liner) blocks for use in electric furnaces.	72 (c) and 72 (3)
42	Electric control gear and electric transmission gear:—	72 (d) and 72 (39)
	(a) Power and Distribution Transformers of ratings up to 20,000 KVA and 132 KV on the H.T. side.	
	(b) (I) Lightning arrestors of 220 KV and below.	
	(II) High Voltage Fuses (1. 1 KV and above)	
	(iii) Protective Relays.	
	(*iv*) Power line carrier equipment and components thereof such as (*i*) carrier equipments, (*ii*) wave Traps, (*iii*) Matching Units.	
	(c) Electric motor starters.	
	(d) Power and Distribution Transformers of ratings not covered by S. No. 42(a)/II and components and accessories of all types of transformers falling under S. No. 42 (a)/II and 42 (b)/II *e.g.*., oil coolers. radiators, bucholy, relays, etc.	
	(e) Metal clad (or otherwise clad) switches and switch fuse units and metal clad (or otherwise clad) cut-outs.	
	(f) Air and oil circuit breakers upto 660 volts and cubicals and 'panels' Incorporating these.	
	(g) Air and oil circuit breakers, minimum oil and air blast circuit breakers above 660 volts and up to 220 KV and cubicals and panels incorporating these.	
	(h) (I) Power capacitors of 11 KV and below.	
	(ii) HRC Fuses of 440 and 660 Volts of current rating upto 830 amp. and below.	
	(iii) Others	

1	2	3
43	Bare hard drawn electrolytic copper wires and cables and electrical wires and cables of other metals and alloys, whether insulated or not, n.o.s. and poles, troughs, conduits, and insulators designed as parts of a transmission system and the fittings thereof and also flexible metallic tubes: (a) Bare electrical conductors (cables, wires and strips) of copper aluminium or any other material. (b) Steel tubular poles. (c) Flexible metallic tubes designed as part of electric transmission system. (d) Insulated (plastic, paper or other material) power cables. (e) High tension insulators. (f) Conduits. (g) Mining cables & Railway signalling cables. (h) Others	72(e), 72(12) & 73(19)
44	Electric fans, table and ceiling and parts thereof— (a) Ceiling fans and parts . . . . . . (b) Table fans complete	3(18) 3(1) and 72(12)
45	The following electrical instruments, apparatus and appliances excluding automatic blackout control switches, and parts thereof not otherwise specified namely— Electrical Control Gear, and Transmission Gear, namely, switches (excluding switch boards) fuses and current breaking devices of all sorts and description designed for use in circuits of less than ten amperes and at a pressure not exceeding 250 volts; and regulators for use with motors designed to consume less than 187 watts; bare or insulated copper wires and cables any one core of which not being one specially designed as a pilot core has a sectional area of less than one-eightieth part of a square inch and wires and cables of other metals of not more than equivalent conductivity and line insulators including also cleats, connectors leading in tubes and the like, of types and sizes such as are ordinarily used in connection with the transmission of power for other than industrial purposes and the fittings thereof but excluding electrical earthware and porcelain otherwise specified. *a*) Insulated (plastic, rubber, paper textile or other materials) cables and wires other than those coming under 43 (d)/II and 45 (c)/II and flexible cords. (*b*) Metal clad or otherwise clad switches excluding switches falling under S.No. 39/II, switch fuse units and metals (or otherwise) clad cut-outs.	

1	2	3
	(i) Enamelled copper winding wires.	
	(ii) Enamelled or insulated strips.	
	(c) Resistance wires	
46	The following Electrical Instruments, apparatus and appliance, namely, telegraphic and telephonic instruments, apparatus and appliances, not otherwise specified, flash lights, carbons, condensers and bell apparatus and switch boards designed for use in circuits of less than ten amperes and at a pressure not exceeding 250 volts and parts thereof :	73(2), 73(8) and 73 14)
	(a) Flash light cases	
	(b) Carbons	
	(c) Condensers	
	(d) Others	
46-A	Accumulators and batteries, including batteries for motor vehicles, wireless apparatus and train lighting and traction	72, 73(2), 73(4), 73(7) 73(15), 75(1) and 75(3).
	(a) Storage batteries for cars, trucks, Scooters, motor cycles, tractors, train lighting cells, aircraft batteries, signal batteries, telephone exchange, power house etc.	
	(b) deleted.	
	(c) Hearing aid batteries	
	(d) Diaphragms or electrolytic cells	
	(e) Dry battery for torch lights	
	(f) Other types of accumulators and batteries	
46-B	Telegraphic instruments and apparatus and parts thereof imported by or under orders of Railways Administration.	73(3)
47	Electrical earthenware and porcelain the following, namely:—	
	(a) Insulators, Shackle Sinclair, Cordeaux or Pin type, not otherwise specified:—	
	(i) fitted	
	(ii) not fitted	
	(b) Two-way cleate	
	(c) Spacing insulators	
	(d) Ceiling roses:—	
	(i) fitted	
	(ii) not fitted	
	(e) Joint box cut-out:—	
	(i) fitted	
	(ii) not fitted	

1	2	3
48	Rubber insulated copper and cables no core of which other than one specially designed as a pilot core, has a sectional area of less than one-eightieth part of a square inch, whether made with any additional insulating or covering material or not.	78(6)
	(*a*) Insulated (plastic, rubber, paper, textile or other materials) cables and wires other than those coming under S. Nos. 43(d)/II and 45(c)/II and flexible cords.	
	(*b*) Others	
48-A	Electric Exploders	73
	TRANSPORT MATERIALS	
49	Coal tubs, tipping wagons and the like conveyances designed for use on light rail track if adapted to be worked by manual or animal labour and if made mainly of iron or steel, and component parts thereof made of iron or steel excluding articles specified in part I of this Schedule.	74
50	Railway material for permanent way and rolling stock, namely, sleepers, other than iron and steel fastenings thereof, bearing plates, chairs, inter-locking apparatus, brakegear, shunting skids, couplings and springs, signals turn tables, weigh bridges, carriages, wagons, traversers, rail removers, scooters, trollies, trucks, also order cranes, water cranes and water tanks when imported by or under the orders of a Railway administration. Provided that for the purpose of this entry 'Railways' means a line of Railway subject to the provisions of the Indian Railways Act, 1890, and includes a railway constructed in a State, in India and also such tramways as the Central Government may, by Notification in Official Gazette, specially include therein. Provided also that articles of machinery as defined in item No. 72 or 72(3) of the first schedule to the Indian Tariff Act, 1934, shall not be deemed to be included hereunder.	72(4) and 74(2)
51	Rubber fittings being component parts of railway carriages.	74(3).
52	Component parts (other than rubber fittings being component parts of railway carriages and articles specified in part I of this Schedule of Railway Materials, as defined in item No. 74(2) of the first Schedule to the Indian Tariff Act, 1934, namely, such parts only as are essential for the working of the Railways and have been given for that purpose some special shape or quallity which would not be essential for their use for any other purpose. Provided that articles which do not satisfy this condition shall also be deemed to be component parts of the railway materials to which they belong if they are essential to its operation and are imported with it in such quantities as may appear to the Collector of Customs to be reasonable.	74(3)
	MISCELLANEOUS	
53	Safety lamps and spare parts.	77

1	2	3
	PART III	
1	Sodium Acetate; Sulphate of Alumina (Iron Free), Chromium Acetate, Hydrosulphite of Soda; Rangolite C or Formosul 'L' Sodium Nitrite; Textile Preservative; Desizing Agents; Levelling Agents; Penetrating Agents; Scouring Agents; Wetting out Agents; Emulsifying Agents; Mordanting Agents; Turkey Red Oil; Oil and Grease Removers; Textile Oiling Agents; Solvents for Printing Discharging Agents; Anti—Reduction Kier Boiling and Softening Agents:—	28
	(*a*) Hydrosulphite of Soda, Rangolite C (Soduim sulphoxylate Formaldehyde) or Formosul L, Brotasul and Sodium Nitrite.	
	(*b*) Sodium Acetate, Chromium Acetate, Turkey Red Oil.	
	(*c*) (*i*) Cation Active, finishing agents, Synthetic Resin finishing agents.	
	(*ii*) Optical Whitening Agents.	
	(*iii*) Textile preservative (excluding phenol cresol but including their substituted products).	
	(*iv*) Delustering agents other than titanium oxide.	
	(*v*) Anionic softening agents.	
	(*d*) Wetting out, Penetrating, Dispersing, Scouring and Emulsifying agents, water roofing agents, synthetic bleaching agents (other than bleaching powder or hypochlorite), Industrial Enzymes and dyeing and printing agents excluding synthetic resins in any form, solvents used in printing process for textiles and non-ionic softening agents and synthetic mordants and Textile Oiling agents but excluding Sulphate of Alumina (Iron free):	
	(*i*) Wetting out, Penetrating, Dispersing, Scouring and emulsifying agents.	
	(*ii*) Industrial Enzymes.	
	(*iii*) Water proofing agents.	
	(*iv*) Synthetic bleaching agents (other than bleaching powder or hypochlorites, hydrogen peroxide etc.)	
	(*v*) Dyeing and Printing agents excluding synthetic resins in any form, Solvents used in Printing Process for textiles and Non-ionic agents and synthetic mordants and Textile Oiling agents, Organic sequestering agents, but excluding Sulphate of Alumina (Iron free).	
	(*vi*) Sodium Aliginate.	
	(e) Sulphate of Aluminia (Iron free)	
	(f) Carboxy methyl cellulose and its salts.	

1	2	3
1-A	Zinc Chloride.	28(8) & 30 (13).
1-B	Dyes derived from coal-tar and coal-tar derivatives used in any dyeing process.	30(1), 30(13), 30(15) and 30(16).
2	Cotton raw	46(3)
3	Cotton ropes and bandings.	46(3)
4	The following articles of machinery not otherwise specified in this Schedule when required for textile industries other than Jute and Hemp.	50(4) & 53
	(1) Prime movers, boilers, locomotive engines and tenders for the same, portable engines (including fire engines) and other machines in which the prime mover is not separable from the operative parts.	72(a)
	(2) Machines and sets of machines to be worked by electric, steam, water, fire or other power, not being manual or animal labour or which before being brought into use is required to be fixed with reverence to other moving parts:	72(b)
	(*a*) Wet processing and finishing machinery.	
	(*b*) Plating, Stamping, Bundling, Baling and Reeling machines.	
	(*c*) Others.	
	(3) Apparatus and appliances, not to be operated by manual or animal labour, which are designed for use in an industrial system as parts, indispensable for its operation and have been given for that purpose some special shape or quality which would not be essential for their use for any other purpose.	72(c)
	(4) Control gear other than electric, self-acting or otherwise and transmission gear (other than electric) designed for use with any machinery above specified excluding driving ropes not made of cotton and belting.	72(d)
	(5) Component parts, excluding hosiery needles as defined in item No. 72(3) of the First Schedule to the Indian Tariff Act, 1934, of machinery specified in clauses (1), (2), (3) and (4) above but excluding those covered by Serial No. 68 of Part V of this Schedule.	72(3)
	(6) Machines or parts, of machines to be worked by mauual or animal labour not otherwise specified and any machines (except such as are designed to be used exclusively in industrial processes) which require for their operation less than one quarter of one brake horse power excluding typewriters and sewing machines and parts thereof and those article that are covered by part VI of this Schedule.	72(b)
5.	(1) The following textile machinery and apparatus by whatever power operated when required for textile industries other than jute and hemp namely :—	72(1), 72(4), 72(33) 72(40) & 72(b).

1	2	3
	Blow-room machinery, Carding Engines, Combers (including Silver Lap Machines, Ribbon Lap Machines, Lap Former), Speed Frames, Draw Frames, Ring Frames, Warp and Weft Preparatory machinery (Winding machine, Warping machine, Sizing machine, Pirn winding machine) Drawing-in and Twisting in machines (Warp tying machine, Reaching-in machines, etc.) Doubling machines, looms (all types) Wool Carding, Spinning and Weaving machinery, Silk Throwing Reeling, Twisting and Weaving machinery, Waste Spinning machinery (all types):—	
	(*a*) Cotton healds	
	(*b*) Wire healds	
	(*c*) (*f*) Steel reeds	
	(*ii*) Brass reeds	
	(*iii*) All metal reeds.	
	(*d*) Shuttles	
	(*e*) Bobbin and pirns	
	(*f*) Pickers	
	(*g*) Spring buffers	
	(*h*) Roller skins:	
	(*i*) Sheep roller skins	
	(*ii*) Calf roller skins	
	(*i*) Picking bands	
	(*j*) Picking sticks	
	(*k*) Card clothing and card accessories	
	(*l*) Deleted	
	(*m*) Dobbies	
	(*n*) Lags and lattices for dobbies	
	(*o*) Fancy Doubling machines	
	(*p*) Card cans	
	(*q*) Dobby harness elastic cords	
	(*r*) Heald Cord, Heald Knitting needles, Jacquard Harness, Linen Cords, Jacquard Cards, Punching Plates for Jacquared Card, Piano Card Cutting machines, harness building frame and Jacquard Card lacing frame.	
	(*s*) Shed rods	
	(*t*) Rubber sprons and rubber cots	

1	2	3
	(*u*) Grinding rollers dead or traverse	
	(*v*) Ring Travellers	
	(*w*) Others	
5	(2) Component parts as defined in Import Tariff Item No. 72 (3) of machinery specified under S. No. 5(1) III, excluding those covered by Serial No. 68 of Part V of this Schedule.	48(c), 48(1)
5-A	Machine cloth	72(1) & 72(3).
6	(*a*) Warp/Raschel/lace and weft knitting machines (including hosiery machines) and embroidery machines to be worked by manual labour and which require less than one quarter of brake horse power.	72(IO)
	(*b*) Warp/Raschel/lace and weft knitting machines (including hosiery machines) and embroidery machines which require for their operation one quarter of brake horse power or more.	
	(*c*) Component parts for machinery falling under (a) and (b) above excluding hosiery needles.	

PART IV

1	Animals, living all sorts	1 & 1(1).
2	Bacon and Ham, not canned or bottled	1(2)
3	Fish, not otherwise specified	3
4	Fish, salted, wet	3(1)
5	Fish, salted, dry	3(2)
6	Fish unsalted, dry	3(3)
7	Fish maws, including singally and sozile and sharkfins . .	3(4)
8	Butter, cheese and ghee	4, 4(4) & 4(5)
9	Powdered milk containing not less than 18 per cent cream intended for infant feeding	4(1)
10	Milk condensed or preserved, including milk cream not otherwise specified	4(1) & 4(2)
11	Coral, unprepared	5
12	Cowries	5(1)
13	Shells	5(1)
14	Ivory, unmanufactured	5(2)
15	Plants, living, not otherwise specified	6
16	Rubber Stamps	6(1)

1	2	3
17	Potatoes	7
18	Vegetable, all sorts excluding potatoes, fresh, dried, salted or preserved not otherwise specified	7 & 7(1)
19	Coconuts	8
20	Cashewnuts	8
21	(*a*) Fruits, all sorts, excluding coconuts and cashew nut, fresh, dried, salted or preserved not otherwise specified and excluding dates:—	8, 8(2), 8(3), 8(4) & 8(5).
	(*i*) Fruits, fresh, all sorts, n.o.s. excluding coconuts.	
	(*ii*) Fruits, dried, salted or preserved all sorts, n.o.s. excluding dates.	
	(*b*) Dates	
22	Currents	8(1)
23	Coffee, not otherwise specified	9
24	Coffee, canned or bottled	9(1)
25	Tea	9(2)
26	The following spices, whether ground or unground, namely:—	9(3)
	(*a*) Cardamom, Cassia, Cinnamon	
	(*b*) Pepper	
27	Cloves, all sorts, whether ground or unground . . .	9(3)
28	Nutmegs	9(3)
29	The following unground spices, namely— . . .	9(4)
	(*a*) Mace	
	(*b*) Chillies and ginger .	
30	Betelnuts	9(5)
31	Vanilla beans	9(6)
32	Grain, not otherwise specified including broken grains but excluding flour:	10 & 10(2)
	(*a*) Oats	
	(*b*) (*i*) Maize	
	(*ii*) Barley.	
	(c) (*i*) Jowar	
	(*ii*) Others	

1	2	3
33	Flour, not otherwise specified	11
34	Sago Flour	11 (2)
35	Sago, Tapioca and Tapicoa flour	11 (3) & 11 (6)
36	Vegetable Seeds— (*a*) Cauliflower Seeds (*b*) Others	12
37	Seeds, all sorts, not otherwise specified, excluding vegetable seeds.	12 & 12 (6)
38	Copra or coconut kernel	12(2)
39	Oilseeds, non-essential, all sorts, not otherwise specified excluding copra or coconut kernel.	12(2)
40	Rubber seeds	12 (3)
41	Hops	12(4)
42	Fodder, bran and poilards	12 (5)
43	Wattle extract	13
44	Wattle bark	13 (1)
45	Bark for tanning excluding wattle bark	13(1)
46	(*a*) Cutch (*b*) Gambier	13(2) 13(3)
47	Olibanum and frankincense	13(3)
48	Gum, arabic	13(4)
49	(*a*) (*i*) Gum, and Benzoin (ras and kauri) but excluding Dammer and rosin. (*ii*) Dammer including unrefined Batu (*b*) Rosin	13(4) & 13 (3)
50	(1) Stick lac (2) Seed lac	13(5)
51	Opium	13(6)
52	Cinchona bark	13(7)
53	Canes and rattans	14(10)
54	Stearine (Glycerine of Strearic acid)	15(10)
55	All sorts of animal fats, not otherwise specified, excluding stearine.	15
56	Wax, all sorts, not otherwise specified excluding paraffin wax, micro crystalline wax and dry battery wax, red and black.	15

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57	Deleted	
58	Lard, not canned or bottled	15(1)
59	Bees-wax	15 (2)
60	Tallow	15(3)
	(*a*) Mutton tallow	
	(*b*) Other kinds	
61	(*a*) Vegetable non-essential oils, not otherwise specified excluding Palm oil, Tung oil and China wood oil.	14 (6) & 15(11)
	(*b*) Palm oil	
	(*c*) Tung oil and China wood oil.	
62	Coconut oil	15 (7)
63	The following vegetable non-essential oils, namely Groundnut and linseed	15(7)
64	All sorts of animal oils, not otherwise specified—	15(8)&15 (12)
	(*a*) Neats foot oil and its sulphonated products	
	(*b*) Others	
65	Canned or bottled bacon, ham or lard	16
66	Fish Canned	16(1)& 16 (3)
67	Isinglass, canned or bottled	16(2)
68	Sugar, excluding confectionery	17
69	Molasses	17(1)
70	Confectionery including chocolate covertures in 1/2 lb. slabs.	17(2)
71	Sugar-candy	17(3)
72	Cocoa and chocolate, other than confectionery	18
73	Biscuits and cakes	19 & 19 (3)
74	Milk foods for infants	19 (1)
75	Vegetables products, pickles, chutnies, sauces, ketchups and condiments, canned or bottled.	20
75-A	Jams, Jellies and Marmalades, canned or bottled	20(4)
76	Fruit Juices, Squashes, Cordials and Syrups, not otherwise specified.	20(1)
76-A	Juices, either individually or in mixture, of apricots, berries, grapes, pineapples, plums and prunes.	20(5)
77	Tomatoes, potatoes, onions, and cauliflowers, canned or bottled.	20 (2)

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77-A	Fruits, canned or bottled, not otherwise specified . .	20(3)
77-B	Asparagus, canned	20(6)
77-C	Vegetables canned or bottled, all sorts, other than tomatoes, potatoes, onions and cauliflowers.	20(7)
77-D	Canned fruits of the following description, namely:— .	20(8)
	Apricots, berries, grapes, plums and prunes, and fruits salads composed of not less than 80 per cent in quantity and in value of the above named fruits.	
77-E	Pineapples, canned	20(9)
78	Canned or bottled provisions, not otherwise specified .	21, 21 (1), 21(4), 21(5) & 21(6)
79	Provisions and oilman's stores and groceries, all sorts, not otherwise specified—	21(1), 21 (7), 21(8), 21(9) & 21 (10)
	(*i*) Semolina	
	(*ii*) Self-raising flour	
	(*iii*) Saffron	
	(*iv*) Essences not containing spirit	
	(*v*) Chicory	
	(*vi*) Yeast	
	(*vii*) Others	
80	All sorts of food, not otherwise specified	21 (2)
	(*a*) Powdered milk and milk food imported in bulk packing	
	(*b*) Eggs	
	(*c*) Others	
81	All sorts of drink, not otherwise specified . . .	22
	(*a*) Mineral water and thermal mud	
	(*b*) Others	
82	Ale, beer, porter, cider and other fermented liquors . .	22(1) & 22(2)
83	Wines	22(3) & 22(4)
84	Brandy, Gin and Whisky	22(4)
85	Spirits excluding essences containing spirit used for the manufacture of beverages, not otherwise specified in this Schedule.	22(4)
86	Deleted.	

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87	Drugs and medicines containing spirit	22(5)
88	Perfumed Spirit	22(5)
89	Bitters and Rum	22(5)
	(*a*) Bitters	
	(*b*) Rum	
90	Denatured spirit	22(6)
91	Vinegar in casks	22(7)
92	Oilcakes	23
	(*a*) Cotton seed cake	
	(*b*) Others	
93	Tobacco manufactured, not otherwise specified . .	24
94	Cigars	24(1)
95	Cigarettes	24(2)
96	Tobacco unmanufactured	24(3)
97	China Clay	25
98	Salt	25(1) & 25 (2)
99	The following building and engineering material namely Chalk, lime and clay	25 (3)
100	Cement, not otherwise specified	25(4)
101	Portland cement excluding white portland cement . .	25(5)
102	Stone prepared as for road Metalling	25(6)
103	Marble and stone, not otherwise specified. . . .	25(7)
104	Coal, coke and patent fuel.	28
105	Mineral oils, not included in Item No. 27 (4) or Item No. 27(6) of the First Schedule to the Indian Tariff Act, 1934 which is suitable for use as an illuminant in wick lamps.	27(5)
106	Mineral Oils:—	27(7)
	(*a*) Which has its flashing point at or above two hundred degrees of Fahrenhelt's thermometer, and is ordinarily used for the batching of jute or other fibres.	
	(*b*) Which has its flashing point at or above one hundred and fifty degrees of Fatherenheit's thermometer, is not suitable for use as an illuminant in wick lamps and is such as is not ordinarily used except as fuel or for some sanitary or hygenic purposes.	

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107	Deleted	
108	Amalgams and preparations of Mercury compounds but excluding antifouling compositions and mercury compounds.	28
109	Drugs, Medicines, all sorts, not otherwise specified in this schedule.	28, 28-A, 28 (21), 28 (23), 28 (24), 28 (25), 28 (26), 28 (26A), 28 (27), 28 (28) & 28 (31).
110	Deleted.	
111	Sacharine (except in tablets) and such other substances as the Central Government may, by notification in the official Gazette, declare to be of like nature or use to Saccharine.	28(9)
112	Saccharine tablets	28(10)
113	Alkaloids or opium and their derivatives	28(11)
114	Alkaloids extracted from cinchona bark and their salts as such or in combination with pentaquinoine phosphate. .	28(12)
115	Toilet requisites not otherwise specified:— . . .	28(14)&28(30)
	(*a*) Sanitary Towels	
	(*b*) Dandasa	
	(*c*) Other Toilet requisites n.o.s.	
116	Cinematograph films, not exposed	29
117	Cinematograph films, exposed	29(1)
118	Deleted.	
119.	Deleted.	
120	Deleted.	
121	Deleted.	
122	Plumbago and graphite	30(5)
123	Printers' ink	30(6)
124	Lead pencils	30(7)
125	Slate pencils	30(8)
126	Pine oil	31
127	Natural Essential oils, all sorts, not otherwise specified excluding pine oil	31
128	The following Natural Essential oils, namely:— . .	31(1)

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	Citronella, Cinnamon and Cinnamon leaf.	
129	The following Natural Essential oils, namely:— . .	31(2)
	Almond, bergamot, gajupatti, camphor, clove, eucalyptus, lavender, lemon, otto-rose peppermint, nutmeg, lime, neroli, cananga and dementholished peppermint (ex-mentha arvensis)	
130	Essential oils, synthetic	31(2)
131	Camphor	31(4)
132	Perfumery, not otherwise specified:—	31(5)
	(*a*) Resinoids, namely, Benzoin, oilbanam, Galbanam, Labdunam, Ookmoss opoponax, Balsum peru, Balsum Tolu, Styrax, and Orris.	
	(*b*) Musk	
	(*c*) Patchouli leaves	
	(*d*) Others	
133	Soap, not otherwise specified	32
134	Soap, toilet	32(1)
135	Soap household and laundry	32(2)
136	Polishes, and compositions excluding valve grinding pastes, and compounds, belt cement and belt dressing:—	32(3)
	(*a*) Leather polish.	
	(*b*) Metal polish.	
	(*c*) Car polish.	
	(*d*) Electro-plating polish and compositions.	
	(*e*) Other polishers and compositions.	
137	Candles	32(4)
138	Glue not otherwise specified excluding belt dressing . .	33
139	Glue, clarified liquid.	33(1)
140	Fire works specially prepared as danger or distress lights for the use of ships.	34(2)
141	Fireworks not otherwise specified	34(3)
142	Matches, undipped splints and veneers	34(4)
143	Hides and skins, not otherwise specified:— . . .	36
	(*a*) Chrome splits.	
	(*b*) Leather splits.	
	(*c*) Pickled hides skins pelts splits and parts thereof	
	(*d*) Others.	

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144	Hides and skins, raw or salted:—	36(1)
	(a) Hides and skins raw or salted, where value of hides and skins is more than that of wool/hair thereon.	
	(b) Fur skins of leopard, tiger, deer, rabbit, fox, cat and other wild animals and reptiles skins.	
145	Skins (other than Fur Skins) tanned, dressed and unwrought leather.	36(2)
146	The following leather manufactures, namely:— . .	37
	Saddlery, harness, trunks and bags	
147	Leather cloth including artificial leather	37(2)
148	Manufactures of leather not otherwise specified:— . .	37(1) 38
	(a) Leather bounds	
	(b) Others	
149	Fur skins dressed	38
150	Rubber, raw	39
151	Fire wood	40(1)
152	Furniture and cabinet-ware and parts thereof not otherwise specified, excluding mouldings:	40(2)
153	Aluminium tea chest linings	40(3)
154	Cork manufacture, not otherwise specified . . .	41
155	Furniture of wickerwork or bamboo, and parts of such furniture, not otherwise specified.	42
156	Writing paper:—	44
	(a) Writing paper other than note paper, writing pads and envelopes.	
	(b) Note paper	
157	Printing paper, excluding poster and stereo and all coated papers, but including art paper, all sorts, which contain no mechanical wood pulp or in which the mechanical wood pulp amounts to less than 70% of the fibre content.	44
158	Printing paper, all sorts, not otherwise specified which contain mechanical wood pulp amounting to not less than 70 per cent of the fibre content, excluding white printing paper mentioned in S. No. 44 of Part V of this Schedule.	45
159	(a) Paper, including poster and stereo and all coated paper except art paper, all sorts not otherwise specified excluding cigarette paper and packing and wrapping paper.	44
	(b) Filter paper.	

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160	Packing and wrapping paper	44
161	Deleted.	
162	Trade catalogues and advertising circulars imported by packet, book or parcel post.	44(5)
163	Deleted.	
164	Newspapers, old, in bags and bales	44(7)
165	Steel pens (*i.e.*, pen holder nibs)	45 and 45 (6)
166	Duplicating stencils	45
167	(*i*) Fountain pens . . . . . (*ii*) Parts of fountain pens.	45 & 45 (3)
168	Articles made of paper and paper mache, stationery including drawing and copybooks, labels, advertising circulars, sheet or card almanacs and calendars, Christmas, Easter and other cards, including cards in booklet forms; including also waste paper but excluding steel pens, duplicating strencils, fountain pens, & parts thereof, presspahn paper, rubber bands, erasers and stamps and rubber hand rollers for cyclostyling and paper and stationery otherwise specified.	44, 45, 45 (4), 45 (5) & 82(5).
	(*a*) Printed advertising material supplied free of charge.	
	(*b*) Printed advertising material not supplied free of charge.	
	(*c*) Others	
169	Standard technical books or books of reference concerning law and legal practice, or for use in connection with medical practice, scientific research or industrial processes.	45(1)
170	Books, printed, including covers for printed books, maps, charts and plans, proofs, music manuscripts, and illustrations specially made for binding in books but excluding books falling under Serial No. 169 of this Part of this Schedule.	45(1)
171	Prints, engravings and pictures (including photographs and picture postcards) on paper or card boards.	45(2)
172	Silk, raw (excluding silk waste and noils) and silk cocoons .	46(1)
173	Silk waste and noils	46(1)
174	Textile materials, the following :—	
	(*a*) Raw flax, and all other unmanufactured textile materials, not otherwise specified, excluding raw jute.	46(4)
	(*b*) Raw jute.	
175	Silk yarn including thrown silk warp and yarn spun from waste or noils but excluding sewing thread:—	47
	(*a*) Thrown silk yarn including Organzine, Tram (i.e. Warp and Weft yarns respectively) but excluding sewing thread.	

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175	(*b*) Yarn spun from silk waste, excluding sewing thread.	
	(*c*) Yarn spun from oils, excluding sewing thread	
176	Silk sewing thread	47(1)
177	Artificial Silk Yarn and Thread	47(2)
178	Hand knitting wool	47(4)
179	Cotton thread other than sewing or darning thread . .	47(5)
180	Cotton twist and yarn—	
	(*a*) Cotton yarn of 80 counts and above. . . .	47(6)
	(*b*) Others.	
181	Cotton sewing thread	47(6)
182	Cotton darning thread	47(6)
183	Twist and yarn of flax or jute..	47(7)
184	Fabrics not otherwise specified, containing more than 90 per cent of silk, including such fabrics embroidered with artificial silk..	48
185	Fabrics, not otherwise specified containing more than 90 per cent of artificial silk.	48(1)
186	Khaki, air blue, barathea and other woollen fabrics not otherwise specified, suitable for making uniforms and containing more than 90 per cent. of wool, excluding felts and fabrics made of shoddy or waste wool.	48(2)
187	Woollen fabrics, not otherwise specified, including shawl cloth containing more than 90 per cent. of wool excluding felt and fabrics made of shoddy and waste wool and fabrics, specified in Serial No. 186 of this Part of this Schedule.	48(2)
188	Cotton fabrics, not otherwise specified containing more than 90 percent, of cotton:—	48(2)
	(*a*) Grey, piecegoods (excluding bordered grey Chaddars, dhoties, saries and scarves).	
	(*b*) Printed piecegoods and printed fabrics.	
	(*c*) Cotton piecegoods and fabrics not otherwise specified.	
189	Fabrics, not otherwise specified containing more than 10 per cent. and not more than 90 per cent. silk.	48(4)
190	Fabrics not otherwise specified, containing not more than 10 per cent. silk but more than 10 per cent and not more than 90 per cent artificial silk.	48(5)
191	Khaki, air blue, barathea and other fabrics, not otherwise specified, suitable for making uniforms and containing not more than 10 per cent silk or 10 per cent. artificial silk, but containing more than 10 per cent, but not more than 90 per cent wool.	48(6)

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192	Fabrics, not otherwise specified, containing not more than 10 per cent. silk or 10 per cent. artificial silk but containing more than 10 per cent. but not more than 90 per cent. wool, excluding fabrics specified in S. No. 191 of this Part of this Schedule.	48 (6)
193	Fabrics, not otherwise specified, containing not more than 10 per cent. silk or 10 per cent. artificial silk or 10 per cent. wool but containing more than 50 per cent. and not more than 90 per cent. cotton.	48(7)
194	Fabrics, not otherwise specified, containing not more than 10 per cent. silk or 10 percent. artificial silk or 10 per cent. wool or 50 per cent. cotton.	48(8)
195	The following cotton fabrics, namely:—Sateens including Italians of Sateen weave, velvets and velveteens and embroidered allovers :— (*a*) Italian of Sateen weave. (*b*) Velvets and velveteens. (*c*) Others.	48(9)
196	Fabrics containing gold or silver thread	48(10)
197	Textile manufactures, the following articles when made wholly or mainly of any of the fabrics specified in Item No. 48(3)(*b*) of the First Schedule to the Indian Tariff Act, 1934:—Bed sheets, Bed spreads, holster-cases, counterpanes, table cloths, tray cloth, bed covers, table covers, dusters, glass cloths, handkerchiefs, napkins, pillow cases, pillow slips, scarves, shirts, shawls, cotton socks, towels, umbrella coverings.	49
198	Textile manufactures, being the article specified in serial No. 197 of this Part of the Schedule, but being made wholly or mainly of fabrics specified in Item No. 48(3)(c) of the first Schedule to the Indian Tariff Act, 1934.	49
199	Textile manufactures, being the articles specified in Serial No. 197 of this Part of this Schedule, but being made wholly or mainly of any of the fabrics specified in item Nos. 48, 48(1), 48(3)(*a*), 48(4), 48(5), 48(7), 48(9), or 48(10) of the First Schedule to the Indian Tariff Act, 1934.	49
200	Fents, being *bona fide* remnants of piecegoods, or other fabrics of materials liable to duty under Item No. 48(3) of the First Schedule to the Indian Tariff Act, 1934 not exceeding 4 yards in length.	49(1) (a)
201	Fents, being *bona fide* remnants of piecegoods or other fabrics of material liable to duty under Item Nos. 48, 48(1), 48(4) or 48(5) of the First Schedule to the Indian Tariff Act, 1934, not exceeding 2-½ yards in length.	49(1)(*b*)
202	Fents, being *bona fide* remnants of piecegoods or other fabrics of materials other than those specified in Serial Nos. 200 and 201 of this Part of this Schedule not exceeding 4 yards in length.	49(1)(*c*)

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203	Ribbons	49(2)
204	Blankets and rugs (other than floor rugs), excluding blankets and rugs made wholly or mainly from artificial silk.	49 (3)
205	Woollen carpets, floor rugs, ruffle cloth, shawls and lohis	49(4)
206	Manufactures of wool, not otherwise specified including felt but excluding those specified in Serial No. 205 of this Part of this Schedule.	49(4)
207	Cotton braids or cords, the following, namely ghoonsis and muktakesis.	49(5)
208	Jute manufactures, not otherwise specified . . .	50
209	Second hand or used gunny bags or cloth made of jute .	50(1)
210	Hemp manufactures	50(2)
211	Oil cloth and floor cloth	50(3)
212	Mats and mattings, not otherwise specified . . .	50(7)
213	Coir fibre, coir yarn and coir mats and matting . .	50(8)
214	Stocks and stockings made wholly or mainly from silk or artificial silk.	51
215	Woollen hosiery and woollen knitted apparel that is to say all hosiery and knitted apparel containing not less than 15 per cent. of wool by weight.	51(1)
216	Cotton knitted apparel including apparel made of cotton interlocking material, cotton undervests knitted or woven and cotton socks and stockings.	51(2)
217	Cotton knitted fabrics	51(3)
218	Lace and embroidery	52 and 52(4)
219	Deleted.	
220	Second-hand clothing	52
221	Water proof clothings	52
222	Haberdashery millnery and drapery	52
223	Apparel and hosiery not otherwise specified . . .	52
224	Uniforms and accountrements pertaining thereto imported by a public servant for his personal use.	52(2)
225	Deleted.	
226	Textile manufactures, not otherwise specified, excluding sisal yarn, delivery hose for the trailer pumps, hose made of canvas, impregnated with rubber and cotton bandings:	53 and 53(2)
	(*a*) Flax hose.	
	(*b*) Linen thread.	

1	2	3
226	(c) Linen piecegoods. (d) Others.	
227	Second-hand boots and shoes other than those containing rubber.	54
228	Boots and shoes, not being second-hand, other than those containing rubber.	54
229	Uppers for boots and shoes unless entirely made of leather	54(2)
230	Hats, caps, bonnets and hatter's ware, not otherwise specified.	55,55 (1), 55 (2) & 55 (3)
231	Fittings for umbrellas, parasols and sun-shades :— (a) Umbrella ribs. (b) Others.	56
232	Parasols and sun-shades	56
233	Umbrellas	56(1)
234	Articles made of stone or marble.....	58
235	Deleted	
236	Tiles, other than glass, earthenware or porcelain tiles	59
237	Firebricks	59
238	Building and engineering materials, all sorts, not of iron, steel or wood, not otherwise specified, excluding tiles other than glass, earthenware or porcelain tiles and firebricks not being component parts of any article included in Item No. 72 or no. 74(2) of the first Schedule to the Indian Tariff Act, 1934.	59
239	Earthenware, all sorts, not otherwise specified (a) Waterfilters and porcelain mortars and pestles of big sizes. (b) Others.	59(2)
240	China and porcelain, all sorts, not otherwise specified .	59(2)
241	Earthenware pipe and sanitaryware: (a) Earthenware pipe. (b) Sanitaryware	59(3)
242	Tiles of earthenware and porcelain: (a) Tiles other than broken glazed tiles. (b) Broken glazed tiles.	59(3)
243	Domestic earthenware, china and porcelain, the following: Tea cups, coffee cups, saucers for use with tea cups or coffee cups, tea pots, sugar bowls, jugs, having a capacity of over 10 ozs. and plates over 5·1/2 inches diameter.	59(5)

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244	Sheet and Plate Glass	60(6) and 60(7)
245	Glass tableware excluding glass tumblers . . .	60
246	Glass tumblers	60
247	Glass bottles and phials	60
	(*a*) Feeding bottles.	
	(*b*) Aerated water bottles—"Cold" type only.	
	(*c*) Others.	
248	Glass and Glassware, not otherwise specified, and lacquered-ware:—	60 and 60(8)
	(*a*) Vacuum flasks.	
	(*b*) Heat resisting glassware.	
	(*c*) Others.	
249	Glass globes and chimneys for lamps and lanterns . .	60(10)
250	Electric bulbs for torches.	60(5)
	(*a*) Torch bulbs of voltage up to 3.8.	
	(*b*) Electric bulbs for torches of voltage above 3·8 and upto 6·5.	
	(*c*) Pre-focussed types of bulbs.	
251	Deleted.	
252	Glass bangles, glass beads and false pearls . . .	60(3) and 60(4
253	Precious stones, unset and imported uncut, excluding diamonds in all forms.	61
254	Pearls unset	61
255	Precious stones, unset and imported cut	61(1)
256	Deleted.	
257	Imitation gold and imitation silver thread and wire, lametta and metallic spangles and article of like nature made of metals other than gold or silver.	61(5)
258	Deleted.	
259	Gold plated pen nibs	61(7)
260	Articles, other than cutlery and surgical instruments plated with gold or silver.	61(8)
261	Cutlery plated with gold or silver.	61(9)

1	2	3
262	Jewellery and Jewels other than those made mainly or wholly of gold or silver.	61(10)
263	Empty drums and barrels returned by Steamship Companies to Oil Companies in India.	63(28)
264	Enamelled ironware, the following, namely, signboards and the following articles of domestic hollow-ware, namely, Basins, bowls, dishes plates and thals, including rice-cups, rice-bowls and rice-plates.	63(29)
265	Chemical or imitation gold known by any name such as 'New Gold' 'Star Gold' 'Orient Gold' etc.	70 and 70(1)
266	Mercury	70(7)
267	Domestic hardware and stoves made of aluminium and parts thereof—	71, 71(9)
	(*a*) Domestic hardware.	
	(*b*) Stoves and parts thereof.	
268	Domestic hardware and stoves not made of aluminium and parts thereof—	48(3), 71 and **71(9)**
	(*a*) Domestic hardware.	
	(*b*) Stoves and parts thereof.	
269	Enamelled ironware, not otherwise specified:—	71
	(*a*) Enamelled iron sulphonating pots.	
	(*b*) Enamelled iron bath tubs.	
	(*c*) Others.	
270	Garden tools, other than prunning knives . . .	71 and 71(1)
271	Metal lamps and parts of lamps made of aluminium .	71, 71(7) and **71(11)**
272	Metal lamps and parts of lamps not made of aluminium .	71, 71(7) and **71(11)**
273	Incandescent mantles	71
274	Zip fasteners with metallic teeth	71 and 71(3)
275	(*a*) Hardware, iron mongery and tools, all sorts, not otherwise specified in this Schedule, and parts thereof, excluding machine tools, agricultural implements and chains.	61(11) and 71
	(*b*) Garage Tools.	
276	Buckets of tin or galvanised iron and parts thereof . .	71(1)
277	Safety razor blades	71(2) and **71(10)**
278	Cutlery all sorts, not otherwise specified, excluding safety razor blades.	71(2) and **71(10)**

1	2	3
279	Metal furniture and cabinetware and parts thereof .	71(3)
280	Printing type	71(4)
281	The following printing materials namely, leads, brass rules, wooden and metal quoins, shooting sticks, galleys and metal furniture.	71(5)
282	Deleted.	
283	Sets of mats when imported as advertising materials in connection with exposed films.	72 (3)
284	Domestic refrigerators and room air-conditioners:—	72(5)
	(*a*) Complete.	
	(*b*) Parts thereof	
285	Typewriter ribbons	72(27)
286	Typewriters and parts thereof, excluding typewriter ribbons:	72(26) and 72(27)
	(*a*) Complete.	
	(*b*) Parts thereof excluding typewriter ribbons.	
287	Domestic sewing machines, complete	72(6) and 72(11)
288	(*a*) Parts of sewing machines domestic	72(6) and 72(11)
	(*b*) Needles for domestic sewing machines . . .	
289	Wireless Instruments and Apparatus, including Wireless Transmission Apparatus, etc.	73(4) and 73(13).
290	Component parts of Wireless Reception Instruments and Apparatus, including all electric valves, amplifiers and loudspeakers which are not specially designed for purposes other than wireless reception or are not original parts of and imported along with instruments or apparatus so designed but excluding those mentioned in Part II of this Schedule :	73(1), 73(4), 73 (10) and 73(12).
	(*a*) Electronic valves.	
	(*b*) Condensers.	
	(*c*) Resistances	
	(*d*) Potentiometers, Volume control and tone contro	
	(*e*) Loud Speakers.	
	(*f*) Others.	
291	Motor vans and motor lorries imported complete . .	75
292	Motor cars including taxi cabs	75(1)

1	2	3
293	Articles (other than rubber tyres and tubes, iron and steel bolts and nuts and chains for motor cars) adapted for use as parts and accessories of motor cars, including taxi cabs but excluding those mentioned in Part II of the Schedule.	75(9), 75(10), 75(11), 75(12) and (12A), 75(15) and 75(16).
294	Motor cycles and motor scooters:—	75(2)
	(*i*) Motor cycles and scooters.	
	(*ii*) Auto-attachments.	
295	Articles (other than rubber tyres and tubes and chains) adapted for use as parts and accessories of motor cycles and motor scooters except such articles as are also adapted for use as parts and accessories of motor cars.	75(2)
296	Motor omnibuses; chassis of motor omnibuses, motor vans and motor lorries.	75(3)
297	Parts of mechanically propelled vehicles and accessories, not otherwise specified, excluding rubber tyres and tubes, and chains and such parts and accessories of motor vehicles, included in Item No. 75(3) of the First Schedule to the Indian Tariff Act, 1934, as are also adapted for use as parts and accessories of motor cars.	75(13)
298	Carriages and carts which are not mechanically propelled, not otherwise specified.	75(4)
299	Parts and accessories of carriages and carts which are not mechanically propelled, not otherwise specified, excluding rubber tyres and tubes, and articles specified in Part I of this Schedule.	75(4)
300	Cycles (other than motor cycles) imported entire or in sections.	75(5)
301	Parts and accessories of cycles (other than motor cycles) excluding rubber tyres and tubes and chains but including iron and steel bolts and nuts adapted for use on cycles and also steering tubes screws.	75(5), 75(6), 75(7) and 75(8).
302	X-Ray films	77(5)
303	Photographic negatives and printing paper, excluding X-Ray films.	77(5)
304	Film Strips, Slides and microfilms	77(5) and 87
305	Photographic instruments, apparatus and appliances, other than cinema, all sorts, not otherwise specified, and parts thereof.	77(5)
306	Instruments, apparatus and appliances imported by a passenger as part of his personal baggage and in actual use by him in the exercise of his professlon or calling.	77(1)
307	Artificial teeth	77(3)
308	Clocks and Watches and parts thereof	78 and 78(1)

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308	(*a*) Clocks (other than time-pieces) *e.g.*, wall clocks with or without pendulum, mantle clocks, marine clocks, electric clocks etc.	78 and 78(1)
	(*b*) Parts of clocks.	
	(*c*) Time-pieces, *i.e.*, one day alarm clock and parts thereof.	
	(*d*) Watches and parts thereof.	
309	Talking machines and parts thereof and records for talking machines—	79
	(*a*) Complete gramophones	
	(*b*) Gramophone needles.	
	(*c*) The following parts, namely:—	
	(1) Gramophone motors and parts.	
	(2) Sound boxes and parts.	
	(3) Automatic brakes and parts.	
	(*d*) The following parts, namely :—	
	Record changers and component parts thereof.	
	Record players and component parts thereof.	
	Pick up tone arms and component parts thereof.	
	(*e*) Gramophone Records of all types.	
	(*f*) Others.	
310	Musical Instruments and parts thereof, all sorts not otherwise specified;	79
311	Percussion Caps	80
312	Save where otherwise specified all articles which are arms or parts of arms within the meaning of the Indian Arms Act, 1878 (excluding springs used for air guns), all tools used for cleaning or putting together the same, all machines for making, loading, closing, or capping cartridges for arms other than rifle arms and all other sorts of ammunition and military stores and any articles which the Central Government may by Notification in the Official Gazette declare to be ammunition or military stores for the purpose of the Indian Tariff Act, 1934, excluding percussion caps.	80
313	Subject to the exemptions specified in Item No. 80(3) of the First Schedule to the Indian Tariff Act, 1934; Fire arms including gas and air guns, gas and air rifles and gas and air pistols not otherwise specified but excluding parts and accessories thereof.	80(1)

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314	Subject to the exemption specified in Item No. 80(3) of the First Schedule to the Indian Tariff Act, 1934. (*a*) Barrels, whether single or double for fire arms, including gas and air guns, gas and air rifles and gas and air pistols, not otherwise specified. (*b*) Main springs and magazine springs for fire arms, including gas guns, gas rifles and gas pistols. (*c*) Gun stocks and breech blocks. (*d*) Revolver cylinders. (*e*) Actions (including skeleton and waster), breech bolts and their heads, cocking pieces and locks for muzzle loading arms. (*f*) Machines for making, loading, or closing cartridges for rifled arms. (*g*) Machines for capping cartridges for rifled arms.	80 (2)
315	The following arms, ammunition and miliatry stores: (*a*) Arms forming part of the regular equipment of a commissioned or gazetted officer in Government service entitled to wear Diplomatic, Military, Naval, Air Force or Police uniform. (*b*) A revolver and an automatic pistol and ammunition for such revolver and pistol up to a maximum of 100 rounds, per revolver or pistol. (*i*) when accompanying a commissioned officer or the Indian regular forces, or of the Indian Territorial Force or a gazetted Police Officer, or (*ii*) certified by the Commandant of the corps to which such officer belongs or in the case of an officer not attached to any corps, by the officer commanding the station or district in which such officer is serving, or in the case of a police officer by an Inspector-General or Commissioner of Police, to be imported by the Officer for the purpose of his equipment. (*c*) Swords for presentation as army or volunteer prizes. (*d*) Arms, ammunition, and military stores imported with the sanction of the Central Government for use of any portion of the military forces of a State in India being a unit notified in pursuance of the First Schedule to the Indian Extradition Act, 1903. (*e*) Morris tubes and patent ammunition imported by officers commanding Indian Regiments or volunteer corps for the Instruction of their men.	80(3)
316	Ornamental Arms of an obsolete pattern possessing only an antiquarian value, mosonic and theatrical and fancy dress swords, provided they are virtually useless	90 (4)

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	for offensive or defensive purposes, and are intended exclusively for domestic, agricultural and Industrial purposes.	
317	Cartridge cases filled and empty	81
318	Coral prepared	12
319	Ivory, manufactured, not otherwise specified . . .	82(1)
320	Bangles and beads, not otherwise specified . . .	82(2)
321	Paint and varnish brushes	83
322	Toilet brushes	83
323	Brooms	83
324	Brushes, all sorts, excluding paint and varnish brushes, toilet brushes and brooms :	83
	(*a*) Artists' Brushes including Hog's Hair brushes.	
	(*b*) Others.	
325	Toys, games, playing cards and requisites for games and sports, bird shots, toy cannons, air guns and air pistols and parts thereof, for the time being excluded in any part of India from the operation of all the prohibition and directions contained in the Arms Act, 1959, and bows and arrows and parts thereof, excluding rubber-balls, football bladders, balloons and toys.	84 and 84 (1)
	(*a*) Fishing hooks.	
	(*b*) Table Tennis (Ping Pong) balls.	
	(*c*) Educational and mechanical toys.	
	(*d*) Golf balls.	
	(*e*) (*i*) Billiard accessories including billiard cushions, cloth cut to size, cues, chalk and tips.	
	(*ii*) Golf clubs.	
	(*iii*) Roller skates.	
	(*iv*) Steel fishing rods.	
	(*v*) Skulling exercisers (rowing machines).	
	(*vi*) Rackets for tennis, badminton and squash, provided the c.i.f value of each *without* guts is not below Sh. 32, Sh. 22 and Sh. 22 respectively.	
	(*vii*) Bats for cricket provided the c.i.f. value is not below Sh. 35.	
	(*viii*) Air guns and air pistols of the type used for shooting purposes but excluding toy guns or pistols.	

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325(c)	(*ix*) Bats for table tennis provided the c.i.f. value is not below Sh. 4.	
	(*f*) Playing Cards.	
	(*g*) Others.	
326	Buttons, metal, including buttons steel and cufflinks made of metals other than than gold and silver.	85
327	Smoker's requisites made of aluminium.	85(1)
328	Smokers' requisites—pipes and parts thereof.	85(1)
329	Smokers requisites, parts thereof excluding those made of aluminium, tobacco, matches and pipes :	85(1)
	(*a*) Cigarette paper in booklet form.	
	(*b*) Others.	
330.	Engravings and Pictures (including photographs and picture-post cards, not otherwise specified)	86
331	Art, works of, not otherwise specified.	86(1)
332	Specimens, Models and Wall Diagrams illustrative of natural science and medals and antique coins, imported for instructional purposes	86(3)
333	Specimens, Models and Wall Diagrams illustrative of natural science and medals and antique coins not imported for instructional purposes.	86(3)
334	Postage Stamps, whether used or unused . . .	86(a)
335	Brake fluid	87
336	Buttons, other than metal	85
337	Empty Gelatine Capsules	87
338	Leather, artificial manufactures of	87
339	Synthetic Stones	87
340	Zip fasteners with celluloid and nylon teeth . .	87
	PART V	
1	(*a*) Pulses other than gram and entils . . .	10
	(*b*) Gram and lentils	10(1)
2	Wheat	10(1
3	Wheat flour	11(1)
4	Starch and farina	11(4) and 11(5)
5	Chromosol S. F. Chromoline and other Chrome compounds used for dyeing or tanning (excluding barium, lead and zinc chromates).	13

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6	Dyeing and tanning substances, all sorts, not otherwise specified excluding wattle extracts and the articles specified in S. No. 5 of this Part of this Schedule.	13 and 13(8)
7	Gums, Resins and Lac, all sorts, not otherwise specified, excluding olibanum and frankincense.	13(3)
8	Greases, all sorts, not otherwise specified, including petroleum jellies, paraffin wax and microcrystalline wax.	15 and 15(a)
9	Cod liver oil	15(4) and 28(22)
10	Fish oil including whale oil, not otherwise specified, excluding cod liver oil	15(4)
	(*a*) Sperm oil	
	(*b*) Ethers.	
11	Fish oil and whale oil hardened and hydrogenated . .	15(5)
12	(*a*) Farinaceous and patent foods, canned or bottled, excluding milk foods for infants and also excluding breakfast foods (wheat flakes, corn flakes, processed oats and shredded wheat) and Pearl Barley.	1(2) and 19(3)
	(*b*) Breakfast foods, (such as wheat flasks, corn flasks, processed oats and shredded wheat) and Pearl Barley	
13	Essences containing spirit used for the manufacture of beverages.	22(4)
14	Metallic Ores, all sort, except Ochres and other pigment ores but including antimony ore, in lump, powder, or concentrated form.	22(4)
15	(*a*) Asphalt, excluding Asphalt emulsions and Gilsonite .	27(1)
	(*b*) Asphalt emulsions.	
	(*c*) Gilsonite.	
16	Pitch and Tar including coal tar and coal pitch . .	27(2) and 27(9)
17	(*a*) Transformer Oil, insulating Oil, Switch Oil and all sorts of Mineral Oils, not otherwise specified, other than Liquid Paraffin, White Oil, Textile Finishing Oil, Textile Fibre Oil and Batching Oil for Fibrres.	22(9)
	(*b*) White Oil.	
	(*c*) Liquid Paraffin.	
	(*d*) Textile Finishing Oils, Textile Fibre Oils and Batching Oils or fibres.	
18	Kerosene; also any mineral oil other than kerosene and motorspirit which has its flashing point below one hundred degrees of Fahrenheit's thermometer.	27(4

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19	Motor spirit	27(6)
20	Lubricating oil, that is, oil such as is not ordinarily used for any purpose other than lubricating, excluding any mineral oil which has its flashing point below two hundred degrees of Fahrenheit's thermometer.	27(8)
21	Chromium sulphate, chromium chloride and other chrome compounds excluding barium chromates and chromium acetate.	28 and 28(17)
22	Chemicals not falling under any other Serial No. of this Schedule.	28, 28(15), 28(18) and 34
	(*a*) Caustic Soda	
	(*b*) Other Chemicals.	
22A	Gas cylinders when imported filled with gas . .	28(8) and 72(c)
23	Bleaching paste and bleaching powder . . .	28(8)
24	Copper, green (ferrous sulphate)	28(8)
25	Sulphur :	
	(*a*) Non-processed elemental/non-refined recovered sulphur.	28, 28(3)
	(*b*) Processed sulphur (all grades).	
26	Soda ash, including calcined natural soda and manufactured sesquicarbonates.	28(4)
27	Heavy chemicals, the following namely, Magnesium chloride.	28(5) 28(6)
28	The following chemicals, namely :—	
	(*a*) Alum (ammonia alum, potash alum and soda alum).	
	(*b*) Magnesium sulphate or hydrated magnesium sulphate.	
29	The following chemicals, namely, cadmium sulphide, cobalt oxide, liquid gold for glass making, selenium and uranium oxide.	28, 28(7) and 28 (7-A)
	(*a*) Selenium and Selenium dioxide.	
	(*b*) Others.	
30	Potassium bichromate, sodium bichromate and chromic acid	28(8) and 28(17)
31	The following chemicals, drugs and medicines, namely :—	28(8), 28(16), 28(19), 28(20), 28(29) and 28(33).
	(*a*) Acetic, Carbolic, Citric, Hydrochloric, Nitric, Oxalic, Sulphuric, Tartaric and any other acids excluding	

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31(*a*)	chromic acids, anhydrous ammonia, naphthalene, Potassium chlorate, Potassium cyanide and other potassium compounds, bicarbonate of soda, borax, sodium cynide, Sodium Silicate, arsenic, calcium carbide, glycerine, lead, magnesium and Zinc compounds, not otherwise specified.	
	(*b*) Aloes, asafoetida, Cocaine, Sarsaprilla and Storax.	
32	Anti-plague Serum	28(13)
33	Aluminium powder and paint.	30
	(*a*) Aluminium powder and paste.	
	(*b*) Aluminium paint.	
34	Paints, colours and painters' materials, all sorts, not otherwise specified, including paints, solution and compositions containing dangerous petroleum within the meaning of the Indian Petroleum Act, 1934, but excluding aluminium powder and paint and sand papers and glass papers. .	30, 30(11), 30(12) and 30(14)
35	Paints, colours and painters' materials, the following:	30(2)
	(*a*) Red lead, genuine dry, genuine moist and reduced moist.	
	(*b*) White-lead, genuine dry.	
	(*c*) Zinc white, genuine dry	
	(*d*) Paints, other sorts, coloured moist.	
36	Paints, colours and painters' materials, the following, namely :—	30(3)
	(*a*) Red lead, reduced dry.	
	(*b*) White lead, genuine moist and reduced dry or moist.	
	(*c*) Zinc white, genuine moist.	
	(*d*) Zinc white, reduced, dry or moist.	
37	The following paints, colours and painter's materials, namely :—	30(4)
	Barytes, turpentine, turpentine substitute and varnish not containing dangerous petroleum within the meaning of the Indian Petrol eum Act, 1934 :—	
	(*a*) Harmless food colours.	
	(*b*) Water and oil colours.	
	(*c*) Pigment water finishes and stains for leather and shoes.	
	(*d*) Raw materials for paints specified elsewhere.	

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	37(*e*) Titanium Dioxide.	
	(*f*) Lithopone.	
	(*g*) Cuttle fish bones.	
	(*h*) Blanc fixe.	
	(*i*) Ultramarine Blue.	
	(*j*) Ceramic Colours.	
	(*k*) Bronze Powder.	
	(*l*) Other manufactured paints, distempers, varnishes and lacquers.	
38	Gunpowder for cannons, rifles, guns, pistols and sporting purposes.	34
39	Explosives, namely: blasting gunpowder, blasting gelatine, blasting dynamite, blasting roburite, blasting tonite and all other sorts icluding detonators and blasting fuse.	34(1)
40	Manures, all sorts, including animal bones and the following chemical manures :—	35 and 35(1)
	Basic slag, nitrate of ammonia, nitrate of soda, muriate of potash, sulphate of ammonia, sulphate of potash, kainite salts, carboline, urea, nitrate of lime, calcium cynamide, ammonium phosphates, mineral phosphates, mineral-superphosphates :	
	(*a*) Rock phosphate Mineral phosphate.	
	(*b*) Sodium Nitrate.	
	(*c*) (*i*) Muriate of Potash.	
	(*ii*) Sulphate of Potash	
	(*d*) Sulphate of Ammonia.	
	(*e*) Triple Super Phosphate.	
	(*f*) Other Nitrogenous Fertilisers.	
	(*g*) Others.	
41	Rubber tyres and tubes and other manufactures of rubber, not otherwise specified, including ebonite rods, tubes and sheets but excluding apparel and boots and shoes:—	31(1), 39(2), 39(3), 77 and 77(2).
(*i*)	(*a*) Rubber pressure and vacuum tubing (for laboratory use) and vaccine caps.	
	(*b*) Rubber contraceptives.	
(*ii*)	Giant motor, motor cycle tyres, tubes and flaps, bicycles tyres and tubes and industrial tyres, tubes and flaps including solid tyres, but excluding tractor and off-the-road tyres and tubes.	

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41	(*iii*) Tractor and off-the-road tyres, tubes and flaps, excluding other types of tyres and tubes and flaps specified elsewhere.	
	(*iv*) Rubber battery containers.	
	(*v*) Rubber thread.	
	(*vi*) Ebonite rods, tubes and sheets.	
	(*vii*) Sectional Air bags	
	(*viii*) Rubber gloves all sorts *viz.* :—	
	(*a*) Surgical rubber gloves .	
	(*b*) Industrial rubber gloves.	
	(*c*) Electrical rubber gloves	
	(*d*) Others.	
	(*ix*) Others.	
42	(*a*)(*i*) Wood and Timber, all sorts, not otherwise specified, including all sorts of ornamental wood but excluding agarwood, plywood, sandal wood, tagarwood, laminated wood and veneer.	40, 40(4), 40(6), and 87
	(*ii*) Laminated wood	
	(*b*) Veneers and plywood, sandalwood, agarwood and tagarwood.	
42-A	Tea chests and parts and fittings, thereof, including tea chests containing aluminium but excluding aluminium tea chest linings.	40(3) and 40(5)
43	Wood pulp	43
43-A	Pulp (other than wood pulp) from vegetable fibres such as bamboo, grasses, reeds and agricultural residues including pulp of rags and mixture of such pulps. . .	43(1)
44	White printing paper (excluding laid marked paper which contain mechanical wood pulp amounting to not less than 70% of the fibre contents)	44
45	Cigarette paper	44 and 44(1)
45-A	Paste board, mill board, card board and straw board, all sorts	44(4)
46	Rubber bands, erasers and stamps and rubber band rollers for cyclostyling:—	39(1) and 45(6)
	(*a*) Rubber erasers.	
(*b*)	Others	

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47	Wool raw and wool tops including wool waste, shoddy wool, and woollen rags	46(2) and 49(4)
48	Woollen yarn, not otherwise specified	47(3)
49	Woollen yarn for weaving and knitting wool, excluding hand knitting wool	47(4)
50	Hair and woollen yarn exclusively used for the manufacture of hair belting	47(8)
51	Cordage, rope and twine of vegetable fibre other than jute and cotton, not otherwise specified	50(6)
52	Apparel containing rubber	52
53	Silk or artificial silk goods used or required for medical purposes, namely, silk or artificial silk ligatures, elastic, silk or artificial silk, hosiery, elbow pieces, thigh pieces, kneecaps, leggings, socks, anklets, stockings, suspensory bandages, silk or artificial silk abdominal belts, silk or artificial silk web catheter tubes and oiled silk or artificial silk	52(1)
54	Delivery hose for trailer pumps	53
55	Hose made of canvas impregnated with rubber	53
56	Rags and other paper-making materials, excluding pulps thereof and pulps and wood and other vegetable fibres and the mixture of such pulps	53(1)
57	Boots and shoes containing rubber	54
58	Building and Engineering bricks	59(1)
59	Covered crucibles for glass making	59(6)
60	Deleted	
61	Diamonds unset and imported uncut, excluding bort and Industrial diamonds	61
62	Steel helmets	63(8)
62-A	Radium	70(7)
63	The following articles of builders hardware, hinges, locks and bolts :—	70(10) and 70(11)
	(*a*) Door locks (not pad locks)	
	(*b*) suit-case locks	
	(*c*) Hinges	
	(*d*) Others	
64	Deleted.	

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65	The following articles of machinery, not otherwise specified, in this schedule except when required for the textile industries, tea industry, iron and steel production works, electric supply undertakings, mines and quarries :—	
	(1) Prime movers, boiler, locomotive engines and tenders for the same, portable engines (including fire engines) and other engines in which the prime mover is not separable from the operative parts.	72(*a*)
	(2) Machines and sets of machines to be worked by electric, steam, water, fire or other power not being manual or animal labour or which being brought into use required to be fixed with reference to other moving parts.	72(*b*), 72(15), 72(16), 72(17), 72(18), 72 (19), 72(20), 72(21) 72(22) and 72(23)
	(3) Apparatus and appliances, not to be operated by manual or animal labour which are designed for use in an industrial system as parts indispensable for its operation and have been given for that purpose some special shape or quality which would not be essential for their use for any other purpose.	72(*c*)
	(4) Control gear (other than electric) self acting or otherwise and transmission gear (other than electric) designed for use with any of the machinery specified above excluding driving ropes not made of cotton and belting.	72(*d*)
	(*i*) Boot and shoe manufacturing machinery.	
	(*ii*) Cinema Machinery (including Studio equipment and projection and also including sound recording apparatus for the production of cinema films).	
	(*iii*) Oil crushing and refinery machinery.	
	(*iv*) Petroleum and gas well drilling equipment.	
	(*v*) Refrigeration and Air Conditioning Machinery other than domestic refrigeration :—	
	(*a*) Air Conditioners, package typ other than room air-conditioners.	
	(*b*) Other types	
	(*vi*) Sugar manufacturing and refinery machinery . . .	
	(*vii*) The following road making, haulage earth moving equipments:—	
	(*a*) Wheeled and Crawler tractors above 50 D.B.H.P.	
	(*b*) Shovels, excavators, motorised graders, vibrating soil compactors, vibrators, stone crushers, stone granulators, Tar and Bitumen boilers/sprayers, core drilling machine, concrete mixers, asphalt mixers, mortar mills, motorised scrappers and towed scrappers, dozers	

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65(1-4)	(all types), loaders, conrete screens, road forms, road tampers, spreaders and finishers, dragline and winches, off-the-High way dumpers and dumper wagons not built on conventional chassis.	
	(*c*) Sheep Foot Rollers and parts thereof.	
	(*viii*) Acid resisting and chlorine resisting blowers and compressors, chlorinic and acid resisting valves and acid resilient parts thereof, chlorine cylinders and valves there of, cylinder testing equipment and spares and srpraying nozzels for chamber plants.	
	(*ix*) Wind Mill	
	(*x*) Machinery required for other Industries and Undertakings.	
65 (5)	Component parts, as defined in item No. 72 (3) of the First Schedule to the Indian Tariff Act, 1934, of machinery specified in clauses(1), (2), (3) and (4) above, but excluding those which are covered by Serial No. 68 of this part of this Schedule :	72(3) and 72(15)
	(*i*) Parts of cinema machinery (including studio equipment and projectors and also including sound recording apparatus for production of cinema films)	
	(*ii*) Parts of Refrigeration and Air-conditioning machinery other than domestic refrigerators	
	(*iii*) (*a*) Spare parts of Machinery falling under S. No. 65 (1—4) (*vii*) (*b*)/V.	
	(*iii*) Parts of machinery when required for industries and other than cinema and refrigeration and also other than spare parts of machinery falling under S. No. 65(1—4) (*vii*) (*a*) and (*b*)/V.	
	(*iv*) Industrial knives.	
	(*v*) Industrial diamond drill bits, excluding drill bits for oil fields.	
65	(6) Machines or parts of machines to be worked by manual or animal labour,not otherwise specified and any machines (except such as are designed to be used exclusively in industrial process) which require for their operation less than one quarter of one-brake horse power excluding typewriters and sewing machines and parts thereof, and also excluding those machines and/or parts thereof which are included in Appendix 35.	
	(*a*) Office machines and parts thereof, which are manually operated or worked by power.	
	(*i*) Hand model type Duplicators (both hand feed and self feed types).	
	[(*ii*) Duplicators, power driven.	
	(*iii*) Other office machines.	

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65	(6)(*b*) Others.	
66	Automatic Electrical control switches	72(d) and 73(1)
67	(1)(*i*) Printing and Lithographic material, namely presses composing sticks, chases, imposing tables, lithographic stones, stereo blocks, wood blocks, half-tone blocks, electro-type blocks, process blocks, roller moulds, roller frames and stocks, lithographic map rollers, standing screw and hot presses, perforating machines, gold blocking presses, galley presses, proof presses, arming presses, copper plate printing presses, rolling presses, ruling machines, ruling penmaking machines, lead cutters, rule cutters, slug cutters, type casting machines, typesetting and casting machines, paper in rolls with side perforations to be used after further perforation or type casting, rule bending machines, rule missing machines, bronzing machines, stereo typing apparatus, paper folding machine, paging machines, but excluding ink and paper and sets of mats when imported as advertising material in connection with exposed film, Treadle Printing Presses of presses of predominantly treadle type and Roller composition.	27
	(*ii*) Tradle Printing Presses.	
	(*iii*) Roller Composition	
	(2) Component parts as declared in Import Tariff Item No. 72(3) of Machinery specified in clause (*i*) above excluding those covered by Serial No. 68 of Part V of this Schedule.	72(3)
68	(*a*) Rubber Blankets (including mackintosh) for printing presses including requirements of cloth processing machines, *viz.*, printing sanforizing etc.	72(3)
	(*b*) Rubber hoses required for the Oil Industry.	
	(*c*) Rubber spray hoses for industrial and agricultural purposes.	
	(*d*) Rubber hose pipes and rubber hoses, n. o. s. and rubber washers for boilers.	
69-A	Hosiery needles for hosiery machinery and knitting machines whether operated by manual labour or mechanical power.	72(3)
70	All types of lifts and elevators (including passengers and goods) component parts and accessories thereof :	72(4)
	(*i*) Complete lifts.	
	(*ii*) Parts of lifts	
71	Stirrup pumps and Trailer pumps	72(6)
	(*a*) Stirrup pumps.	
	(*b*) Trailer pumps.	
72	Deleted.	
73	Water-lifts, sugar mills sugar centrifugals, sugar-pug mills, oil presses and parts thereof when constructrued so	72(7)

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	that they can be worked by manual or animal power and pans for boiling sugarcane juice:—	
	(*a*) Sugar juice boiling pans.	
	(*b*) Others.	
74	The following Agricultural implements, namely, winnowers, threshes, mowing and reaping machines, binding machines, elevators, seed and corn crushes, chaff cutters, root-cutters, ensilage cutters, horse and bullockgear ploughs, cultivators, scarifiers, harrows, clod crushers, seed drills, hayteeders, hay presses, potato-diggers, latex spouts, spraying machines, powder blowers, white-ant-exterminating machines, pestpullers, broad cast seeders, corn pickers, corn sellers, culti-packers, drag scrappers, stalk cutters, huskers and shredders, potato planters, lime sowers, manure spreaders, listers soil graders and rakes, also agricultural tractors, also component parts of these implements, machines or tractors, provided that they can be readily fitted into their proper place in the implements, machines or tractors for which they are imported and that they cannot ordinarily be used for purposes unconnected with Agriculture :	72(8), 72(9), 12(30) and 72(31)
	(*i*) Wheeled and Crawler Tractors upto and including draw Bar Horse Power.	50
	(*ii*) Rotary Hoes and Rotary Tillers.	
	(*iii*) Spare parts for agricultural tractors and for tractors drawn agricultural implements.	
	(*iv*) Agricultural implements, tractor drawn only excluding Sheep Foot Rollers.	
	(*v*) Power driven agricultural machinery excluding Sheep Foot Rollers, Tractors, Rotary Hoes and Rotary tillers.	
	(*vi*) Parts of power driven agricultural machinery.	
	(*vii*) Chaff cutters other than power driven.	
	(*viii*) Sugarcane crushers.	
	(*ix*) Ploughs, plough shares and cultivators other than tractors drawn.	
	(*x*) Sprayers (other than power driven) and parts.	
	(*xi*) Dusters (other than power driven) and parts.	
	(*xii*) Chaff cutter knives.	
	(*xiii*) Manual or animal driven agricultural machinery and parts thereof, not otherwise specified.	
75	Dairy and Poultry Farm equipment, not otherwise specified and components parts there of.	72(9) and 72(32)

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76	(*a*) Industrial Sewing Machines and parts thereof which are manually operated or worked by power and require for their operation less than one quarter horse power.	72(1), 72(11) and 72(15)
	(*b*) Industrial Sewing Machines and parts thereof which are worked by power and require for their operation one quarter horse power and above.	72(I) 72(6), and 72(15)
	(*c*) Needles for all industrial sewing machines.	72(1) 72(6) and 72(15)
77	Air raid sirens	73 and 77
78	Electrical instruments, apparatus and appliances, not otherwise specified, in this Schedule (excluding telegraphic and telephonic) and parts thereof not otherwise specified.	73
	(*i*) Hearing-aids and parts thereof.	
	(*ii*) Electric cooking ranges and electric cookers, all types and parts thereof.	
	(*iii*) Tape and wire recorders, all sorts and parts thereof.	
	(*iv*) Public address equipments and parts thereof:—	
	(1) Amplifiers.	
	(2) Loudspeakers.	
	(3) Pressure or driver units.	
	(4) Horns.	
	(5) Microphones.	
	(*v*) Heating elements.	
	(*vi*) Rectifiers and battery chargers and parts thereof.	
	(*vii*) Household Electric Machines & Appliances all sorts n. o. s. such as Vacuum Cleaners, Washing Machines, Hair Dyers, Shavers, Hair Clippers, Food/Drink/Juice Mixers, Extractors, Water Heaters, Room Heaters, Electric Irons, Electric Kettles, Percolators, Hot Plates, Boiling Plates, Coffee Grinders and the like and parts thereof.	
	(*viii*) Yarn and Cloth testing machines including Other types of textile testing machines.	
	(*ix*) Others.	
79	X ray (Diagonostic therapy) and electro-medical apparatus and parts thereof n. o. s. including ultra violet and infra red lamps for medical treatment.	73(9)
80	Deleted.	

1	2	3
81	Deleted.	
82	Tramcars and components parts and accessories thereof excluding articles specified in Part I of this Schedule	74(1)
83	Deleted.	
84	Deleted.	
85	Deleted.	
86	Conveyances, not otherwise specified and component parts and accessories thereof excluding articles specified in Part I of this Schedule : (*i*) Auto rickshaws. (*ii*) Trailers, all types, including tipping trailers. (*iii*) Perambulators and parts thereof. (*iv*) Specialized vehicles (conventional vehicle chassis on which special type of bodies or machinery/equipment have been mounted, *e. g.*, Tipper or Dumper, Fire fighting vehicle, X-ray vehicle, mobile workshop, recovery vehicle, well drilling vehicles, Truck mounted Cranes). (*v*) Others.	75
87	Aeroplanes, aeroplane parts, aeroplane engines, aeroplane engine parts and rubber tyres and tubes used exclusively for aeroplanes.	76
88	All manufactured articles and material used in aircraft construction and books, drawings, diagrams, illustrations and any other technical publications imported for the purpose of maintenance, repair and overhaul of aircraft, aero-engines and their instruments and equipment; provided that nothing falling under this description shall be deemed to fall under other Serial No. of this Schedule.	The appropriate item
89	Ships and other vessels for inland and harbour navigation including steamers, launches, boats, and frigates imported entire or in section; provided that articles of machinery as defined in Item No. 72 or No. 72(3) of the First Schedule to the Indian Tariff Act, 1934, shall when separately imported, not be deemed to be included hereunder.	76(I)
90	Light ships	76(2)
91	Furniture tackle and apparel, not otherwise described for steam sailing rowing and other vessels.	76(3)
92	Instruments, apparatus and appliances and parts thereof including cinematographic and parts thereof, other than electrical but excluding articles otherwise specified in the schedule :	77

1	2	3
92	(*a*) Water meters. (*b*) Leader films. (*c*) Weighing machines and parts thereof. (*d*) Yarn cloth testing machines, including Lap testing machines. (*e*) Gas masks and refills. (*f*) Geometry Boxes and components thereof. (*g*) Surveying and Mathematical instruments, the following namely :— (1) (*a*) Reversible level complete with stand. (*b*) Dumphy level complete with stand. (*c*) Indian pattern level complete with stand. (2) (*a*) Slide rules. (*b*) Prismatic compass. (*c*) Clinometer and other magnetic compasses. (*d*) Drafting machines. (*e*) Plane-Table equipment Ordinary and Techometric. (*f*) Theodolitics. (*g*) Others. (*h*) Deleted. (*i*) Fire Extinguishers. (*j*) Fire fighting equipment other than fire extinguishers, fire fighting hose and ladders (only such of those articles as are classified as instruments and apparatus under this S. No. will be included). (*k*) Pressure gauges. (*l*) Deleted (*m*) Micro Eardrum hearing aids. (*n*) Others.	
93	Optical, Scientific, Medical including Surgical or Dental instruments, equipment and appliances and parts thereof not made of rubber.	72(2), 77(6), 77(6) and 77(7)
94	Optical, Scientific, Medical including Surgical or Dental instruments equipment and appliances and parts thereof made of rubber:	77(2), 77(4), 77(6) and 77(7)
	(*a*) (*i*) Goggles, sun-glasses glare glasses.	

1	2	3
94	(*a*) (*ii*) Plastic frames including sides and fronts thereof when imorted separately and spectacles with plastic frames.	
	(*iii*) Lenses including bifocal blanks.	
	(*iv*) Rough blanks other than bifocal blanks.	
	(*b*) Metallic frames including sides and fronts thereof when imported separately, and spectacles with metallic frames.	
	(*c*) Other optical instruments, equipments and appliances and parts thereof.	
	(*d*) Scientific and medical including surgical instruments, equipment and appliances and parts thereof, made wholly/mainly of rubber and /or made wholly/mainly of glass including laboratory glassware.	
	(*e*) Medical including Surgical instruments, equipment and appliances and parts thereof not made mainly of rubber and not made mainly of glass.	
	(*f*) Scientific instruments, equipment and appliances and parts thereof not made mainly of rubber and also not made mainly of glass.	
	(*g*) Microscopes and accessories and parts thereof. Microscope slides and cover glasses. Brinells's microscope and parts thereof.	
	(*h*) Laboratory balances and weights and parts thereof.	
	(*i*) Clinical Thermometers.	
	(*j*) Dental instruments, equipment and appliances and parts thereof not otherwise specified.	
95	Rubber balls, football bladders, baloons and toys :	84
	(*a*) Tennis balls.	
	(*b*) Squash balls.	
	(*c*) Others.	
96	Art, the following works of :	86(2)
	(1) Stationary and pictures intended to be put up for the public benefit in a public place, and	
	(2) Memorials of a public character intended to be put up in a public place, including the materials used or to be used in their construction whether worked or not.	
97	Artificial horn manufactured from rennet casein . .	87
98	Asbestos raw	87
99	Deleted.	

1	2	3
100	Deleted.	
101	Cellulose Acetate flakes, moulding powders and sheets .	87
101-A	Cellulose acetate butyrate and cellulose acetate propionate	87
101-B	Deleted.	
101-C	Cellulose acetate film scrap	87
101-D	Cellulose Nitrate sheets, rods and tubes . . .	87
101-E	Chloride moulding powder	87
102	Cresol-formaldehyde moulding powders . . .	87
103	Curled rope hair	87
104	Diamonds Industrial, natural and Synthetic, in all forms including diamond grit and powder	61, 72(5) and 87
105	Fibreboards (*e. g.*, hardboards and insulating boards) excluding plywood and vulcanised fibre sheets.	61, 72(3), 87, 40(4) and 40(7)
106	Gas black, thermatomic black, acetylene black and carbon black also including lamp black.	87
107	Glass substitutes	87
108	Glucose powder (excluding Anyhydrous Dextrose and Glucose powder packed in small containers of 1 lb or less) and Glucose other sorts :	21(3)
	(*a*) Liquid glucose.	
	(*b*) Others.	
109	Deleted.	
110	Nickel Catalyst	87
111	Phenol formaldehyde moulding powder	82(3)
112	(*a*) Phenol formaldehyde resinous sheets, tubes, rods and other materials.	87
	(*b*) Thermosetting synthetic resin bonded laminated-sheets; tubes, rods and other materials with paper or fabria base.	
	(*c*) Copper clad laminates with paper phenolic base.	
113	Acrylic plastic moulding powder, sheets, rods and tubes .	87
113-A	Polyvinyl chloride-plastic sheets (unsupported) . .	82(4)
113-B	Polydichlorstyrene resin	87
113-C	Polystyrene	87
113-D	Polyvinyl acetate resin powder	87
113-E	Polyvinyl butyral resin	87
113-F	Polyvinylidene chloride	87
113-G	Polyvinyl formal and Polyvinyl Acetol . . .	87

2	2	3
113-H	Polyvinyl chloride resin powders	87
113-I	P. V. C. composition including moulding powder . .	87
113-J	Polyethylene moulding powder	87
113-K	Polytetra Flucioethylene Resins (filled, unfilled or pigmented) and products thereof	87
114	Pyrotechnic aluminium	87
115	Stereo flongs	87
116	Synthetic resins, all sorts, not otherwise specified—— .	87
	(*i*) Phenolic, Urea, Melamine, Alkyds and Maleic resins.	
	(*ii*) Synthetic Ion Exchange Resins	
	(*iii*) Polyvinyl Acetate resins, Polyvinyl Alchohol, Polyvinyl chloride, acrrylate and their copolymers in emulsion and/or dispersion form.	
	(*iv*) Synthetic resins, all sorts, n. o. s. other than those covered by S. No. 116(*i*)V, 116(ii)/V and 116 (*iii*)/V.	
117	Textile Printing Dyes	87
118	Urea-formaldehyde moulding powders	87
119	Vulcanised fibre in sheets, rods and tubes . . .	87
120	Deleted.	
121	Window glass channels	87
122	All articles not otherwise specified in this Schedule except Paper money, silver bullion and silver sheets and plates which have undergone no process of manufacture subsequent to rolling, gold bullion and gold sheets and plates which have undergone no process of manufacture subsequent to rolling, Current coin of the Government of India, silver coin, not otherwise specified and gold coin.	44(6) 61(2) 62 62(1) 62(2) 63(3)
	(*i*) Plastic materials not otherwise specified . . .	
	(*ii*) Fluorspar	
	(*iii*) Bleaching earth (such as Fullers Earth Fulment, Tonsil etc.)	
	(*iv*) Looking glass.	
	(*v*) Vulcanised fibre suitcases, trunks and bags n. o. s.	
	(*vi*) Water proofing composition.	
	(*vii*) Films made from transparent cellulose or Viscacella, Royasine, transparent cellulose wrapping and other transparent paper.	

1	2	3
122	(*viii*) Snap fasteners.	
	(*ix*) Cryolite.	
	(*x*) Casein.	
	(*xi*) Flints stones.	
	(*xii*) Plastic based adhesive tapes including cellulose adhesive tapes.	
	(*xiii*) Enamelled frits	
	(*xiv*) Staple fibre tops and other synthetic and proteinous fibre tops	
	(*xv*) Staple fibre including synthetic protecinous cut fibres	
	(*xvi*) Deleted.	
	(*xvii*) French chalk	
	(*xviii*) Ashwood oars.	
	(*xix*) Manufactures of wood other than ashwood oars.	
	(*xx*) Dom nuts.	
	(*xxi*) Mica.	
	(*xxii*) Feathers.	
	(*xxiii*) Rudraksha beads.	
	(*xxiv*) Filter candles.	
	(*xxv*) Plastic moulding powder, not other wise specified	
	(*xxvi*) Vanadium Pentoxide catalyst.	
	(*xxvii*) Fluxite soldering paste and fluxes for gas or arc welding, melting and refining metals.	
	(*xxviii*) Corozo nut.	
	(*xxix*) Filteraids.	
	(*xxx*) Asbestos magnesia lagging.	
	(*xxxi*) Asbestos mantle yarn.	
	(*xxxii*) Glass mineral, slag wool, Fibre glass and products there of.	
	(*xxxiii*) Glass tinsel powder.	
	(*xxxiv*) Wall Plug all sorts (non-electrical) with cementing materials, n. o. s.	
	(*xxxv*) Decex oil proof compound.	
	(*xxxvi*) Tailoring chalk.	
	(*xxxvii*) Calcium carbonate activated (*e. g.*, "Wiennofil" etc.)	

1	2	3
122	(*xxxviii*)Boiler compound (Antiscale compound)	
	(*xxxix*) Embroidery ring frames.	
	(*xl*) Etching powder.	
	(*xli*) Gypsum.	
	(*xlii*) Laboratory ware made of silica.	
	(*xliii*) Silicaware equipment for sulphuric, hydrochloric and nitric acid plants and Ceramic equipment for chlorine plants.	
	(*xliv*) Silicon.	
	(*xlv*) Petroleum Coke.	
	(*xlvi*) Kapok.	
	(*xlvii*) Negative Collodion and iodizer.	
	(*xlviii*) Kamandalu.	
	(*xlix*) Stamping foils (film-based).	
	(*l*) Yeast food and yeast culture.	
	(*li*) Others.	

1	2	3
	PART VI	
	MACHINE TOOLS	
	All machine tools of the following types including any standard equipment or ancillary machinery usually supplied therewith:—	
1	Milling, diesinking, engraving, keyseating broaching, oil-grooving, splinning, profile slotting and marking	
2	Metal cutting cold saws, back saw machines filing and sawing bandsaw machines, cutting off (tool and abrasive)	
3	Testing machine for mechanical workshop and engineering laboratory use.	
4	Grinding (excluding small electrical bench and portable, grinders up to 10" wheels and pneumatic grinders) honing, polishing and lapping.	
5	Drilling (other than portable electric or portable pneumatic)	
6	Capstan and turret lathes.	
7	Lathes, general.	
8	Furnaces, electrical, coke, coal, gas or oil fired excluding cover, muffle rings and stan for titling furnaces.	
9	Forging, power hammers, drops tamps and riveting other than portable handriveters.	
10	Wire drawing and forming, rolling mills (other than jewellers), bar reeling and bar turning.	The approprite item.
11	Thread forming, cutting , rolling or milling.	
12	Moulding machine and other machinery for foundry use, diecasting machines and magnetic separators.	
13	Hydraulic presses, and other machinery for the production of plastic blocks and plastic mouldings (such as bakelite and other cellulose products).	
14	Sheet Metal working machinery (other than hand power types) including shares, punches, presses, benders, brakes, guillotines, plates straighteners and rollers.	
15	Automatic bar and chucking machines single and multiple spindle.	
16	Gear gutting.	
17	Shaping, slotting and planning.	
18	Vertical boring, and turning mills, horizontal boring, and jig boring.	
19	Special and standard machines, particularly used in railway workshops, but not otherwise specified	
20	Oxygen cutting, oxy-acetylene generating plant for welding and cutting and electric welding.	
21	Wood-working machinery, other than hand worked or small homecraft types.	
22	Lathe chucks, magnetic chucks (electric and non-electric), drill chucks rotary tables, dividing heads, tool post grinders, milling and indexing attachment and machine vices.	

SCHEDULE II

(*See* clause 3)

OFFICERS COMPETENT TO GRANT IMPORT LICENCES

1	The Chief Controller of Imports and Exports.	
2	A Joint Chief Controller of Imports and Exports.	For any goods covered by parts I to VI of Schedule I.
3	A Deputy Chief Controller of Imports and Exports.	
4	A Controller of Imports and Exports.	
5	An Assistant Controller/Section Officer in the Imports and Exports Trade Control Organisations.	
6	The Iron and Steel Controller.	For Iron and Steel and Ferro-Alloy licensable by the Iron and Steel Controller in accordance with the policy announced by him from time to time.
7	A Deputy Iron and Steel Controller.	
8	An Assistant Iron and Steel Controller.	
8-A	Deputy Assistant Iron and Steel Controller	
8-B	Research Officer in the Office of the Iron and Steel Controller.	
8-C	Accounts Officer in the Office of the Iron and Steel Controller.	
8-D	Assistant Controller of Imports & Exports, New Kandla (in so far as Kandla Free Trade Zone is concerned).	
9	Development Officer (Tools).	For machine tools falling under Part VI of Schedule I.
10	Deputy Development Officer (Tools licensing).	
11	Assistant Development Officer (Tools).	
12	Any Officer authorised by the Central Government for any goods described in Schedule I.	

SCHEDULE III

(See clause 4)

APPLICATION FEES

The following fees shall be leviable in respect of the application for an import licence.

Serial No.	Particulars	Amount of Fee
(1)	(2)	(3)
1	Where the value of the goods specified in the application does not exceed Rs. 50,000/-.	Rs. 50/-
2	Where the value of the goods specified in the application exceeds Rs. 50,000/-.	Rupee one for every one thousand or part thereof, subject to a maximum of Rs. 5,000/-.

Provided that :—

(1) The amount of fees payable shall be Rs. 50 irrespective of the value of goods specified in the application, in respect of an application for import licence,—

(i) by a small scale actual user for the import of raw materials, components and spares; or

(ii) by an actual user in respect of any unit in the Kandla Free Trade Zone; or

(iii) by a registered exporter, under the import policy for registered exporters; and

(2) The amount of fees payable shall be Rs. 5/- irrespective of the value of the goods specified in the application, in respect of,—

(i) application for the grant of subsidiary licence, or

(ii) application for the grant of duplicate licence, or

(iii) appeal to the C.C.I.&E. against any decision by a licensing authority on an application of review :

Provided further that no fees shall be payable in respect of,—

(aa) any application for an import licence for any goods (other than a vehicle) if the import of the goods is required by an individual for his own personal use not connected with trade or manufacture; or

(bb) any application for an import licence from a newspaper establishment for newsprint for a value covering a quantity of not more than 40 tons.

For the purpose of collection of fees the following instructions are for general information :—

(i) Fee should be deposited, in cash, at any Government Treasury or Office of the State Bank of India or the Reserve Bank of

India, transacting the business of the Central Government, for credit to the Central Government under a separate head 'Import Licence Application Fees', subordinate to the major head 'XXXII Miscellaneous, Social and Developmental Organizations'. The treasury or bank receipt must show the name of the Department viz., 'Import and Export Trade Control Organisation', and particulars of the application for the grant of import licence, namely, description of goods for which the licence is applied for, with their value, and the licensing period, in the column; 'full particulars' in the Challan form T.R. 6, and must be attached to the application before submitting the same to the proper authority. The application also must contain details of the treasury receipt under which the requisite fee has been deposited.

(ii) No application will be entertained which is not accompanied by such proof of payment of the fee prescribed under this order.

Note.—Applications for refund of Import licence application fees will be dealt with in Port Offices, within whose jurisdiction the fee was paid. The territorial jurisdiction of the various offices in the Import organization has been set out in the Import Trade Control Hand Book of Rules and Procedure, 1970. Claims admitted for refund will be prepared in Form T. R. 41 with necessary authorisation by the respective Port Officers and sent to the firm concerned to be presented after being duly signed, at the Bank/ Treasury where the fee had been originally paid in.

SCHEDULE IV

(See Clause 12)

1. Notification No. 23-ITC/43, dated the 1st July, 1943, issued by the late Department of Commerce, as amended.

2. Notification No. 2-ITC/48, dated 6th March, 1948, issued by the late Ministry of Commerce.

3. Notification No. 4-ITC/48, dated 1st May, 1948, issued by the late Ministry of Commerce.

4. Notification No. 51-ITC/50, dated 15th November, 1950 issued by the late Ministry of Commerce.

5. Order No. 4/55, dated 30th June, 1955 issued by the Ministry of Commerce and Industry.

Government of India

MINISTRY OF COMMERCE

IMPORT TRADE CONTROL

ORDER NO. 10/65

New Delhi, the 1st December 1965

In exercise of the powers conferred by Section 6 of the Imports and Exports (Control) Act, 1947 (18 of 1947) and in supersession of the late Ministry of Commerce and Industry Order No. 11/60 dated the 1st August, 1960 the Central Government hereby authorises the Joint Chief Controllers of Imports and Exports, the Deputy Chief Controllers of Imports and Exports, the Customs Collectors and the Officers of Customs under the Customs Act, 1962 (52 of 1962), the Iron and Steel Controller, the Deputy Iron and Steel Controller and the Superintendents of Police in the Economic Offences Wing of the Central Bureau of Investigation, to make complaints in writing in Courts in respect of any offence punishable under Section 5 of the said Act.

Sd./- P. SABANAYAGAM,

Chief Controller of Imports & Exports.

Government of India

MINISTRY OF COMMERCE

IMPORT TRADE CONTROL

NOTIFICATION (AS AMENDED)

New Delhi, the 10th November, 1966

No. 12/66.—In exercise of the powers conferred by sub-clause (2) of clause 10 of the Imports (Control) Order, 1955, the Central Government

hereby constitutes the following authorities for the purpose of hearing appeals against the action taken under clause 8 or 8A of the said Order, namely :—

(i) where the action is taken by a Joint Chief Controller of Imports and Exports or by a Deputy Chief Controller of Imports and Exports, the Chief Controller of Imports and Exports, New Delhi;

(ii) where the action is taken by an authority other than any authority referred to in item (i), a committee consisting of the Additional Secretary and two Joint Secretaries to the Government of India in the Ministry of Foreign Trade and Supply, New Delhi.

Sd/- A. C. BANERJEE,
Joint Secy.

APPENDIX 3

Vide para 8 (2) of Chapter II

APPLICATION FORMS

FORM (A)

APPLICATION FORM FOR ESTABLISHED IMPORTERS

1. Name of applicant . . . .
   Full Postal Address :—
   (*i*) House/shop no. . . .
   (*ii*) Name of street/road . .
   (*iii*) Name of locality . . .
   (*iv*) Name of State . . .
   Telegraphic address
2. Registration no. allotted to Income-tax Verification Certificate or Exemption thereform :—
   (*i*) I.V.C. Registration/Exemption number valid for the licensing period to which the application pertains . . . . .
   (*ii*) Previous I.V.C. Regn./Exemption numer.
3. Number and date of treasury receipt showing payment of the requisite fees under the late Commerce and Industry Ministry's Order no. 17/55 dated the 7th December, 1955 as amended from time to time (Treasury receipt to be attached).
4. Licensing period in respect of which application is made. . . .
5. Particulars of goods to be furnished as shown below :—
   (*i*) Description : Full details should be given here or appended to application. (It is not sufficient to say chemicals, drugs and medicines, hardware, etc., list of specific chemicals, drugs & medicines, etc., desired to be imported should be given). In case of component or spare parts of machinery, typewriters, sewing machines, radio, etc., names of parts desired to be imported should be specified.
   (*ii*) Quantity : Net weight, number or any other unit as the case may be. . . . . .
   (*iii*) Classification under I.T.C. schedule, Part & S. No. (This should particularly be completed position being verified in cases of

APPENDIX 3—*contd.*

doubt after reference to the I.T.C. licensing authority concerned).

(*iv*) Indian Customs tariff no. . .

(*v*) Value c.i.f. in rupees . . .

(*vi*) Country of shipment . . .

6. Where shipment is to be effected from a country different from the country in which the goods originated, full statement of reasons for the same should be given . . . . .

If licence is claimed on the basis of licence issued in the preceding period and/or quota certificate, give particulars of licence or quota certificate as below :—

(1) Licence/quota certificate no. and date . . . . . .

(2) Description of goods . . .

(3) Country(s) . . . . .

(4) c.i.f. value of licence/value in basic year imports in quota certificate . . . . . .

(5) In case the quota certificates were issued after 1-4-1961, whether the original imports against which quota certificate is issued were made for use in the applicants' own factory/establishment or for stock and sale . . . . . .

General information to be furnished :—

(*a*) Date of establishment of business in India.

(*b*) Nature of the concern whether Public or Private Ltd. or Partnership or Proprietory or Hindu Undivided Family concern.

(*c*) Names of Directors, Partners, Proprietor or Karta, as the case may be.

(*d*) Nature of main business of the applicant (line or lines in which the applicant is engaged in business to be indicated by "major heads" *e.g.* an applicant engaged in the manufacture of, or dealing in, cycles, radios, etc., should indicate cycles, radios, etc. Clear indication as to whether the applicant is a manufacturer, wholesaler, retailer, sole agent Indentor or Commission Agent, be given. or any other category should be given.

(*e*) Details of branches or associated companies (names and locations) :—

(*i*) In India.

APPENDIX 3—*contd.*

(*ii*) Abroad.

(*f*) Has any application already been made by the applicant for goods falling under the same serial number or sub-item of serial number for the same period from any country ? If so, give details.

(*g*) Have any branches or associated companies mentioned in (*e*) or any of the gentlemen named in (*c*) applied for an import licence for import of goods falling under the same serial number or sub-item of serial number for the same period ? If so, give details and an affidavit in the form prescribed at Appendix 8 to the book. If the Head Office has submitted one consolidated application for one item, please make a declaration that the branches have not and will not make application for the same item during the same period to any other licensing authority.

Whether the constitution or ownership or name of the firm has undergone any change or whether the firm has succeeded to any import quota rights of any other firm as a result of division of quota rights of the latter. If so, mention such changes as have occurred since the inception of business or 1st April, 1951, whichever is later, (the information furnished should indicate the date of change and nature of change).

(*i*) The Custom House where the import licence, if granted, will be registered.

Full details of the enclosure attached with the application	S. No.	Nature of the document
(every copy of the document should be marked as a true copy and signed beneath by the applicant).	1	
	2	

I/We hereby declare that the above statements are true and correct to the best of my/our knowledge and belief. I/We fully understand that any licence granted to me/us on the basis of the statement furnished is liable to cancellation, in addition to any other penalty that the Government may impose having regard to the circumstances of the case, if it is found that any of the statements of facts therein are incorrect or false.

Certified that we,.....with Head Office at.....and branches at.....have for purposes of import of.....from.....selected.....as the common basic year and the quota certificate on which te licence is claimed, is based on the previous import in this common basic year.

APPENDIX 3—*contd.*

Certified that we possess/do not possess two quota certificates for Serial No./Sub. Serial No. (to be specified) and declare that we have submitted no other application for obtaining quota licence.

Signature.....

Name in block letters.....

Designation.....

Residential address.....

Date.....

(1) Applicants are advised to read the licensing instructions for the current period carefully before filling the application form for import licence.

(2) Information required against the various items in the forms should be given legibly and completed in all details to avoid correspondence and delay in the disposal of applications. The licensing authorities have discretion to reject an application if the same is not complete in all respects.

(3) A separate application should be made for each article under each Part and Serial number of the I.T.C. Schedule and not one application for two or more items falling under different Parts and Serial Numbers of the schedule.

(4) Where an application is made for a licence for goods required against an order from the Director General of Supplies and Disposals or from Government Railways, the words 'ESTABLISHED IMPORTERS' at the head of the form should be replaced by the words D.G. Supplies and Disposals 'CONTRACTS' or 'RAILWAYS CONTRACTS' (as the case may be).

(5) Documentary evidence as asked for should be sent alongwith the application.

(6) Any special reason in support of the application may, if necessary, be explained in a covering letter attached to the application.

(7) Application should be signed by the Proprietor, Partner or Managing Director of the firm or by any person duly authorised to sign such application on behalf of the firm. The position held by the person signing the application should be clearly stated.

(8) Any applicant supplying false or incorrect information may be liable to have his licence cancelled and in addition may be debarred from the grant of any import licence in future.

FORM (B)

FORM OF APPLICATION FOR IMPORT OF GOODS (OTHER THAN THOSE FALLING UNDER THE C.G. LICENSING PROCEDURE) BY ACTUAL USERS WHO ARE NOT BORNE ON THE BOOKS OF THE DIRECTOR ATE GENERAL OF TECHNICAL DEVELOPMENT.

PART I

(To be filled in by the applicant for use in the licensing Office)

A. *Particulars of applicant*

1. Name of the applicant . . .

2. Full Postal address :—

(*i*) House/shop no. . . .

(*ii*) Name of street/road . . .

(*iii*) Name of locality and city . .

(*iv*) Name of State . . .

APPENDIX 3—*contd.*

3. Telegraphic address . . .

4. Address of location of factory . .

B. *Particulars of application :—*

1. Registration no. allotted to Income-Tax Verification Certificate or Exemption therefrom :—

   (*i*) I.V.C. Registration / Exemption number valid for the licensing period to which the application pertains . . . . .

   (*ii*) Previous I.V.C. Registration/Exemption number . . .

2. Treasury receipt no. and date (Treasury receipt to be attached in original)

3. Licensing period in respect of which application is made . . . .

4. Where shipment is to be effected from a country different from the country in which the goods originated, full statement of reasons for the same should be given . . . . .

5. Is a letter of authority desired ? If so, name of the firm in whose favour it is desired . . . . . .

C. *General Information to be furnished*

1. Date of establishment of business in India . . . . . .

2. Nature of the concern, whether Public Company or Private Company, Partnership or Hindu undivided family concern . . . . . .

3. Names of Directors, Partners, Proprietor or Karta as the case may be .

4. Details of branches or associated companies (name and location)

   (*i*) In India . . . . .

   (*ii*) Abroad . . . . .

5. Has any application been already made by the applicant for goods falling under the same S. No. or sub-item of Serial No. for the same period from any country in any category. If so, give details . . . . .

6. Have any branches or associate companies mentioned in (4) or any of the gentlemen named in (3) applied for an import licence for import of goods

APPENDIX 3—*contd.*

falling under the same serial number or sub-item of serial number or the same period ? . . . .

7. Is any branch/associate concern of applicant holding an established importer quota for particular item/items covered by this application? If so, details of quota certificates/established importers licences may be given . .

8. The Customs House where the import licence, if granted, will be registered .

9. Full details of the enclosures attached with the application (every copy of the document should be marked as a true copy and signed beneath by the applicant) . . . . . .

PART II

(To be filled in by the applicant for use by the sponsoring authority)

1. (*i*) Name of the industry and the purpose for which the raw materials/components are required . .

   (*ii*) Whether engaged in priority industry or an industry other than priority .

   (*iii*) If engaged in a priority industry, indicate the S. No. of the industry as given in the list of priority industries . . . . . .

2. Description of goods manufactured.

3. Production Capacity.

4. Actual production in the preceding two years. . . . . .

5. Estimated production in ensuing year.

6. Capital investment :

   (*i*) Machinery and equipment (details of machinery to be attached). .

   (*ii*) Land and buildings or rent of premises . . . . .

7. Registration No. allotted by the State Director of Industries . . . .

8. Particulars of raw materials/components and spare parts to be imported :—

Item and I.T.C. S. No.	Quantity/Number	Value (c.i.f.)

APPENDIX 3—*contd.*

9. Particulars of licences/release advices issued and imports effected/allocated through STC/MMTC during the last three periods :—

Licensing period	No. and date and value of licence/ release advice	Value (c.i.f.). of goods imported/ allocated through STC/MMTC	Description of goods.

10. Actual sales of the manufactured products during the preceding year . .

11. Value of exports, if any, of the manufactured products, during the preceding year.

12. Stocks of raw material/components/ spares applied for, on the date of the commencement of the period *i.e.*, on 1st April :—

(*i*) Imported . . . . .

(*ii*) Alternate sources . . .

13. Expected arrivals of the goods applied for on the date of the commencement of the period against licences in hand.

14. Period for which stock and expected arrivals are to last.

15. Consumption of the imported material applied for during the 12 months :

Item	Quantity/Number	Value

(1) I/We hereby declare that if this licence is granted, the goods will be utilised only for consumption as raw materials/components or accessories in our factory and that no portion thereof will be sold to or permitted to be used by any other party.

APPENDIX 3—*contd.*

(2) I/We hereby declare, that the above statements are true and correct to the best of my/our knowledge and belief. I/We fully understand that any licence granted to me/us on the basis of the statement furnished is liable to cancellation, in addition to any other penalty that the Government may impose or any other action that may be taken, having regard to the circumstances of the case if it is found that any of the statements of facts therein are incorrect or false.

Signature .....

Date : Name in Block Letters.....

Designation .....

Residential Address.....

PART III

(To be filled in by the sponsoring authority in duplicate).

1. Particulars of goods recommended :

Item & ITC Serial No.	Requirements in quantity/ Number as per installed capacity	Requirements in value (c.i.f.) as per installed capacity	Quantity/ Number recommended for import	Value (c.i.f.) recommended for import	End use
(1)	(2)	(3)	(4)	(5)	(6)

2. (*a*) Whether the applicant is a new or existing unit.

   (*b*) If new unit, whether the industry is included in the list of banned industries.

3. (*a*) Whether the items recommended are licensable in consultation with D.G.T.D./D.C. (S.S.I.) or any other technical authority.

   (*b*) If so, whether the clearance from the concerned technical authority has been obtained. (The No. and date of the reference of the technical authority may be given).

4. In the case of items available indigenously whether the applicant has produced evidence to show that indigenous manufacturer(s) are unable to supply.

5. In the case of items which are being imported by STC whether the STC have expressed their inability to supply the material (The no. and date of their letter may be quoted).

Signature of sponsoring authority.

APPENDIX 3—*contd.*

This column should be filled in only wherever necessary in terms of the import policy in fore.

NOTES :—

(1) Applicants are advised to read the licensing instructions for the current period carefully before filling up the Application form for Import Licence.

(2) Information required against the various items in the form should be given legibly and completed in all details to avoid correspondence and delay in the disposal of applications. The licensing authority have discretion to reject application if the application is not complete in all respects.

REGIONAL AREAS FOR PURPOSES OF ACTUAL USERS' LICENCES

AREA 'A'

(Applications to be made to the Joint Chief Controller of Imports and Exports Calcutta). State where factory is located.

Bihar,

Orissa,

West Bengal,

Tripura,

Andaman and Nicobar Islands,

AREA 'B'

(Applications to be made to the Joint Chief Controller of Imports and Exports Bombay). State where factory is located.

Maharashtra,

Madhya Pradesh.

AREA 'C'

(Applications to be made to the Joint Chief Controller of Imports and Exports (Madras). State where factory is located.

Tamil Nadu

AREA 'D'

Applications to be made to the Deputy Chief Controller of Imports and Exports, Ernakulam). State where factory is located.

Kerala State, Laccadive, Minicoy and Amindivi Islands.

AREA 'E'

(Applications to be made to the Joint Chief Controller of Imports, Central Licensing Area, New Delhi)—

Delhi

Himachal Pradesh.

Punjab.

Rajasthan.

Haryana.

Chandigarh.

APPENDIX 3—*contd.*

AREA 'F'

(Applications to be made to the Controller of Imports and Exports, Rajkot)—

Those districts of Gujarat State which were formerly known as Saurashtra.

AREA 'G'

(Applications to be made to the Controller of Imports and Exports, New Kandla)—

Kutch of Gujarat State and New Kandla including Kandla Free Trade Zone.

AREA 'H'

(Applications to be made to the Controller of Imports and Exports, Visakhapatnam)—

Andhra Pradesh districts of Godawari East and West Visakhapatnam and Srikakulam.

AREA 'I'

(Applications to be made to the Controller of Imports and Exports, Pondicherry)—

Former French Establishments in India.

AREA 'J'

(Applications to be made to the Controller of Imports and Exports, Shillong

Assam.

Manipur.

N.E.F.A.

Nagaland.

AREA 'K'

(Applications to be made to the Controller of Imports and Exports, Bengalore)—

Mysore.

AREA 'L'

(Applications to be made to the Deputy Chief Controller of Imports and Exports, Panjinm, Goa)—

Goa, Daman and Diu, Dadra and Nagar Haveli.

AREA 'M'

(Applications to be made to the Controller of Imports and Exports, Srinagar)—

Jammu and Kashmir.

AREA 'N'

(Applications to be made to the Deputy Chief Controller of Imports and Exports, Kanpur.

Uttar Pradesh.

AREA 'O'

(Applications to be made to the Dy. Chief Controller of Imports and Exports, Hyderabad).

Andhra Pradesh excluding the districts of Godawari East and West, Visakhapatnam and Srikakulam.

AREA 'P'

(Applications to be made to the Dy. Chief Controller of Imports and Exports, Ahmedabad).

Gujarat State excluding Kutch and those districts of Gujarat State which were formerly known as Saurashtra.

APPENDIX 3—*contd.*

FORM (C)

Licensing Period.....

Code No.....

FORM OF APPLICATION FOR IMPORT OF RAW-MATERIALS, COMPONENTS AND SPARE PARTS FOR CERTAIN SPECIFIED INDUSTRIES AS WELL AS OTHER INDUSTRIAL UNITS BORNE ON THE LIST OF THE DIRECTORATE GENERAL OF TECHNICAL DEVELOPMENT.

(This application should be submitted to the Chief Controller of Imports and Exports through the Directorate General of Technical Development. Only two copies should be submitted of which one will be retained by the Director General of Technical Development and the other passed on to the Chief Controller of Impo-rts and Exports).

Application for a licence for import of goods (other than those falling under the Capital Goods Licensing Procedure) *vide* Government of India, late Ministry of Commerce and Industry Order No. 17/55, dated 7th December, 1955, as amended.

A. *Particulars of Applicant*

1. Name of the applicant . .
2. Full Postal Address :—
   (*i*) House/Shop no. . . .
   (*ii*) Name of Street/Road . .
   (*iii*) Name of Locality . . .
   (*iv*) Name of State . . .
3. Telegraphic address . . .
4. Address of location of factory .

B. *Particulars regarding Industrial Unit*

1.(*a*) Name of the Industry . .

1.(*b*) Name of product and the exact purpose for which the raw-material is required (preferably the function served by the raw-material in the manufacture of the product should be explained).

2. Description of goods manufactured

3. Production capacity separately for each store for which different raw materials are desired to be imported.

4. (*i*) Actual production in the last calendar year.

NOTE : If there was stoppage or production for any period, indicate the duration of the period and the reasons therefor.

(*ii*) In the case of undertakings utilizing non-ferrous metals as raw-materials, indicate portion of the actual production mentioned against (i) above if any,

APPENDIX 3—*contd.*

achieved through assistance of raw materials/foreign exchange received from sources other than D.G.T.D

5. Estimated production in the next calendar year.

6. In the case of industrial undertakings intending to go into production for the first time or in the case of an existing industrial undertaking intending to go into substantial expansion of the production of existing articles of manufacture, indicate :

(*i*) Value of (*a*) Imported plant and machinery required.
(*b*) Indigenous plant and machinery required.

(*ii*) Value of letter of credit, if any opened for the import of plant and machinery and the date thereof.

(*iii*) Value of orders placed if any, for the purchase of indigenous plant and machinery.

(*iv*) Expected date of commencement of production/expansion of production of an existing article of manufacture.

7. Factory no. allotted by the Directorate General of Technical Development.

C. Particulars of Applications

1. Registration no. allotted to Income-tax Verification Certificate or Exemption therefrom :—

(*i*) I.V.C. Registration/Exemption Number valid for the licensing period to which the application pertains :

(*ii*) Previous I.V.C. Registration/ Exemption Number :

2. Treasury receipt no. and date (Treasury receipt to be attached).

3. Licensing period in respect of which application is made.

4. Particulars of raw-materials to be imported (To be furnished in tabular form enclosed).

5. Particulars of licences issued and imports effected during the last three years

APPENDIX 3—*contd.*

6. Where shipment is to be effected from a country different from the country in which goods originated, full statement of the reasons for the same should be given.

7. Is a letter of authority desired? If so, name of the firm in whose favour it is desired.

D. *Spare-parts* :—

CIF value of the spare-parts to be imported and their description.

E. *General Information to be furnished*

1. Date of establishment of business in India.

2. Nature of the concern whether Public or Private Ltd., Partnership or Proprietory or Hindu undivided family concern.

3. Names of Directors, Partners, Proprietor or Karta as the case may be.

4. Details of branches or associated companies (names and location) :

(*i*) In India . . . . .

(*ii*) Abroad . . . . .

5. Has any application been already made by the applicant for goods falling under the same serial number or sub-item of serial number for the same period from any country in any category? If so, give details. . . . .

6. Have any branches or associated companies mentioned in (4) or any of the gentlemen named in (3) applied for an import licence for import of goods falling under the same serial number or sub-item of serial number for the same period? If so, give details.

7. Is any Branch/Associate concern of applicant holding a quota certificate/ E.I. licence for particular item/items covered by this application ? If so, details of such quota certificates/Established Importer's licence may be given.

8. Please state whether your industrial undertaking is registered or licensed under the Industries (Development and Regulation) Act, 1951. If so, quote the number and date of registration certificate or the licence issued by late Ministry of Commerce and Industry and also indicate the name of scheduled industry.

APPENDIX 3—*contd.*

9. The Customs House where the import licence, if granted will be registered.

10. Full details of the enclosures attached with the application (every copy of the document should be marked as a true copy and signed beneath by the applicant).

11. Are you a member of the Indian Standards Institution ?

12. Name of the sponsoring Directorate in the D.G.T.D.

(1) I/We hereby declare that the goods for the import of which the application has been made are not meant for use in the manufacture of new articles for which a licence has not been obtained under Industries (Development and Regulations) Act, 1951.

(2) I/We hereby declare that if this licence is granted the goods will be utilised only for consumption as raw materials or accessories in our factory and that no portion thereof, will be sold to or permitted to be used by any other party.

(3) I/We hereby declare that the above statements are true and correct to the best of my/our knowledge and belief. I/We fully understand that the licence granted to me/us on the basis of the statements furnished is liable to cancellation, in addition to any other penalty that the Government may impose having regard to the circumstances of the case if it is found that any of the statements or facts therein are incorrect or false.

Date.....

Signature.....

Name in block letters.....

Designation.....

Residential address.....

.....

NOTE

(1) Applicants are advised to read the licensing instructions for the current period carefully before filling up the application form for import licence.

(2) The information required against the various items in the form should be given legibly and completed in all details to avoid correspondence and delay in the disposal of applications. The licensing authorities have discretion to reject an application if the application is not complete in all respects.

(3) Documentary evidence if asked for should be sent along with the application.

(4) Any special reasons in support of the application may, if necessary, be explained in a covering letter attached to the application.

(5) Application should be signed by the Proprietor, Partner or Managing Director of the firm or by any person duly authorised to sign any legal declaration on behalf of the firm. The position held by the persons signing the application should be clearly stated.

(6) Any applicant supplying false or incorrect information may be liable to have his licence cancelled and in addition may be debarred from the grant of any import licence in future.

APPENDIX 3—*contd.*

Tabular form vide col. C 4

Serial no.	Full description of the raw materials should be given	I.T.C. no. and Part.	Quantity (Weight/No./or other appropriate accounting unit	Value (c.i.f. in Rs.....) *Proforma* invoice or other evidence from suppliers showing the correct c.i.f. value of goods to be produced.	Stocks (quantity) held by the applicant on the date of the import application whether in his own godown, lying with the Banks under the Produce Loans account or any where else.	Expected arrivals (quantity) on the opening date of the import licensing policy period in which the application is being made, against the licences in hand (the information should include material to be received which might have been either in transit or ordered or yet to be ordered against the licences in hand).	Quantity consumed during the last three calendar years (information to be furnished for each year separately).	Whether any application or request for enhancement of the quantity of the same material applied for in the previous period is pending with Directorate General of Technical Development or C.C.I.E., and if so, the details of the same.	Country of shipment.	REMARKS
1	2	3	4	5	6	7	8	9	10	11

Date_____

Signature....._____

Name in Block Letters_____

Designation....._____

Residential address _____

Form (D)

APPLICATION FORM FOR NEW COMERS

Deleted

FORM 'E'

Code Number.....__
(In the case of industrial undertakings borne on the list of D.G.T.D.).

Form of application for import of Capital Goods and Heavy Electrical Plant.

The application should be sent in duplicate to :—

1. Joint Chief Controller of Imports & Exports(Capital Goods), Bombay. For all textile machinery other than jute and hemp machinery.

APPENDIX 3—*contd.*

2. Joint Chief Controller of Imports & Exports (Capital Goods), Calcutta.	For all jute and hemp textile machinery and machinery for coal mining and tea industry.
3. Chief Controller of Imports & Exports (Capital Goods), New Delhi. (Applications from units borne on the books of the Directorate General of Technical Development should be sent through the D.G.T.D. The applications from small scale industries should be sent through the sponsoring authority concerned and the Development Commissioner, Small Scale Industries, New Delhi).	For other Capital Goods.
Chief Controller of Imports and Exports (H.E.P.) New Delhi. (The applications should be sent through the C.W. & P.C. (Power Wing) Government of India, Bikaner House, Shahjahan Road, New Delhi).	For Heavy Electrical Plant.

PART I

(To be filled in by the applicant for use in the licensing office)

1. Particulars of the applicant
   - (a) Name
   - (b) Full postal address
     - (i) House/shop no.
     - (ii) Name of street/road.
     - (iii) Name of locality.
     - (iv) Name of State.
   - (c) Telegraphic address.

2. (i) Nature of the concern, whether Proprietory/Partnership/Private Limited/Public Limited.
   - (ii) Name(s) of the Proprietor/Partners/ Directors.
   - (iii) Whether the concern belongs to or is controlled by any of the "larger industrial houses" in terms of Government of India Notification No. S. O. IDRA/29B/70/1, dated 19th February, 1970 and if so, which.
   - (iv) Whether the concern is a dominant undertaking in terms of Monopolies and Restrictive Trade Practices Act, 1969.
   - (v) Whether the concern is a foreign company or a Branch or subsidiary of a foreign company.

3. (i) Name and location of the industrial undertaking for which capital goods are required.
   - (ii) Place where the goods are to be installed/used.

4. Registration number allotted to Income Tax Verification Certificate or exemption therefrom by the licensing authorities :—

APPENDIX 3—*contd.*

(i) I.V.C. Registration/Exemption number valid for the licensing period to which the application pertains :

(ii) Previous I.V.C. Registration/ Exemption number :

5. Details of Treasury challan or Bank certificate under which the requisite application fee prescribed under the late Commerce & Industry Ministry's Order No. 17/55 dated 7th December, 1955 as amended from time to time has been deposited (Treasury Receipt to be attached).

6. Detailed description of goods. (Two statements, duly attested, one for capital goods other than machine tools and the other for machine-tools, giving the following particulars should be furnished) :—

(i) Serial no.

(ii) Description of capital goods/ machine tools with full specifications. As far as possible manufacturers' illustrated descriptive pamphlets giving detailed specifications should be furnished.

(iii) Quantities.

(iv) Manufacturers' name and address.

(v) Suppliers' name and address.

(vi) Country/Countries of origin (in order of preference), and shipment respectively.

(vii) Manner of financing the imports.

(viii) c.i.f. value of goods in rupees. (Satisfactory documentary evidence from foreign suppliers *e.g.*, the proforma invoice, etc., in support of the value declared should be submitted).

(ix) (*a*) For machine goods—code number as appearing in the code book, "Classification Machine-Tools Types".

(b) For other capital goods—Part and Serial No. of the Import Trade Control Schedule.

7. Purpose for which goods are required :—

(*a*) Replacement of existing machinery and/or maintenance of existing plant without involving substantial expansion of capacity; if so, when was the plant installed or when was the machinery in question last repaired ?

(*b*) Additions in the nature of supplement to the existing plant for the purpose of rationalisation/

APPENDIX 3—*contd.*

modernisation or for improvement in the quality of the products without involving substantial expansion; if so :—

(i) What is the capacity of the existing plant and what will be the capacity after these additions?

(ii) Whether the additional machinery/equipment would necessitate the import of any new raw material for any increase in the amount of the existing raw material, if so, give the description of the raw-materials, annual requirements and the approximate c i f. value.

(c) (i) New undertakings or substantial expansion of the existing undertakings or manufacture of new articles by units requiring a licence under the Industries (Development & Regulation) Act; if so—

(ii) Indicate the number and date of the Industrial Licence/Letter of Intent issued under the Industries (Development & Regulation) Act, 1951 or the number and date of the communication in which the approval of the sponsoring authority has been given, with details of the capacity permitted for each article covered by the Industrial Licence /Letter of Intent/approval of sponsoring authority.

(iii) What was the requirement of the foreign exchange for importing plant and equipment indicated in the application for the industrial licence or in the application for obtaining the approval of the sponsoring authority and if that value is different from the one given in this application, give reasons therefor?

(d) New undertakings or substantial expansion of the existing undertakings for the manufacture of new articles by units exempted from obtaining a licence under the Industries (Development & Regulation) Act, in terms of Government Notifications No. S. O. IDRA/29B/70/1 dated the 19th February, 1970, and No S O. IDRA/29B/70/3 dated the the 28th February, 1970. If so :

(i) indicate the total investment for the new project/expansion programme as a whole and the total requirement of foreign exchange for the import of plant an equipment for the project/expansion programme;

APPENDIX 3—*contd.*

(*ii*) If an expansion programme, indicate the total existing investment and the value of imported plant and equipment already in position/capital goods already ordered against import licences in hand/balance value of capital goods ilicences held (for which orders are yet to be placed);

(*iii*) indicate the annual requirement of total imported raw materials with details of quantity/value of principal items. (It should be indicated separately, whether imports of components are also required, and if so, the phased requirements). Please also indicate the total *ex*-factory value of the goods to be produced when the scheme is implemented.

(*e*) End-product or products for the manufacture of which the machinery is sought to be imported.

8. Do the goods covered by this application form a complete order or only an instalment? If the latter, state :

(*a*) the extent of the instalment.

(*b*) the extent of the full order.

(*c*) the date of any connected application for import licence, and no. and date of any licence issued.

9 (a) Dates by which orders on foreign suppliers are expected to be placed, and expected delivery periods for different items.

(b) Expected date(s) by which the imported equipment is planned to be installed (indicate phased installation dates of different items proposed to be imported).

10. Will the goods covered by this application ensure the production of all the articles specified in the Industrial Licence/ Letter of intent/approval of the sponsoring authority, if not,

(a) indicate the articles covered and the production likely to be achieved in respect of these articles with the equipment proposed to be imported.

(b) The total value of plant and equipment which would be required to be imported to cover the full production capacity permitted by the industrial licence.

APPENDIX 3—*contd.*

11. Is any issue of capital involved for the purpose of importation of these goods? If so, has the consent of Government been obtained, and in the name of what company? Also state what are the amounts of the present capital and the proposed expanded capital ?

12. Is the importation of goods to be made against any foreign share capital? If so, furnish evidence to show that the terms and conditions of foreign collaboration have been approved by the Government of India ?

13. Have you made enquiries from all indigenous suppliers of items included in the application, mentioned in the D.G. T.D.'s published list of suppliers of items?

Note : Copies of correspondence with suppliers to be enclosed. Where no replies have been received within one month, this fact may also be mentioned.

14. (i) Have you followed the advertisement procedure, laid down in para 137 of the I.T.C. Hand Book of Rules & Procedure, if applicable in your case? (Attach 2 copies of the advertisement).

(ii) Give the number of the advertisement and the issue no./period of the Indian Trade Journal in which it appears.

(iii) State whether response has been received to the advertisement. If so, attach a tabular statement of the responses received.

15. Whether the machinery to be imported is—

(*a*) second-hand and reconditioned, or

(*b*) New.

If (a) above, then a certificate from the suppliers or a firm of consulting Engineers should always be furnished to indicate the age of machinery, its present condition and probable unexpired life.

16. Applications for H.E.P. should supply the information on the following points :—

(i) What is the total requirement for a particular project or scheme for which the import is applied for;

(ii) Date(s) by which the stores are required to be in position or on site and whether any staggering is possible;

APPENDIX 3—*contd.*

(iii) Date of advertising the public tenders;

(iv) Details of prices and deliveries offered by the indigenous manufacturers and also by the importers;

(v) Details of orders placed on indigenous manufacturers; and

(vi) Ground on which imports are asked for.

17. The Customs House where the import licence, if granted, will be registered.

18. Full details of the enclosures attached with the application. Every copy of the document should be marked as a true copy and signed beneath by the applicant.

(*i*) I/We hereby declare that the above statements are true and correct to the best of my/our knowledge and belief. I/We fully understand that any licence granted to me/us on the basis of the statements furnished is liable to cancellation in addition to any other penalty that the Government may impose having regard to the circumstances of the case if it is found that any of the statement of facts therein are incorrect and false.

(*ii*) I/We hereby declare that the goods for import of which the application has been made shall be used only for the manufacture of..... (name of end product/s) and for the capacity licensed under the Industries (Development and Regulation) Act, 1951 or approved by Government.

Signature.....

Name in Block Letters .....

Designation .....

Residential Address .....

Date.....

(1) Applicants are advised to read the licensing instruction for the current period carefully before filling up the application form for import licence.

(2) The information required against the various items in the form should be given legibly and completely in all details to avoid correspondence and delay in the disposal of their applications. The licensing authorities have discretion to reject an application if the application is not complete in all respects.

(3) Documentary evidence as asked for should be sent along with the application.

(4) Any special reasons in support of the application may, if necessary, be explained in a covering letter attached to the application.

(5) Application should be signed by the proprietor, partner or managing directors of the firm or by any person duly authorised to sign any legal declaration on behalf of the concern. The position held by the person signing the application should be clearly stated.

(6) Any applicant supplying false or incorrect information may be liable to have his licence cancelled and in addition may be debarred from the grant of an import licence in future.

APPENDIX 3—*contd.*

"E" FORM APPLICATION (PART II)

(To be submitted in quadruplicate alongwith four copies of application in "E" Form, for import of Capital goods by exporter —manufacturers).

1. Name and full address of the exporter-manufacturer. . . .

2. Nomenclature of products manufactured indicating the products being exported. . . .

3. Quantity and value of production of each of the products manufactured for the last three financial years : 1967-68, 1968-69, 1969-70 till to date, if possible; otherwise two months before the date of the application (in computing the value of production please give both the internal sale value as well as the f. o. b. export value). .

4. Quantity and f.o.b. value of export product-wise, for the period as at (3) above (indicating also the countries to which exported. A statement of export in terms of quantity and f.o.b. value made, certified by the concerned Export Promotion Council/Commodity Boards should be enclosed). . . . . .

5. Description, quantity and the c.i.f. value of the capital goods sought to be imported (Seven lists of goods to be attached) showing the c.i.f. value in Indian rupees against each item and names of countries from where each of the items is proposed to be imported.

6. Preferred sources of supply of capital goods in order of preference indicating values in Indian rupees. . . .

7. Original *proforma* Invoice and Catalogues/Literature of the equipments. Whether the exporter-manufacturer is a registered exporter (give details of registration number and date and the authority with whom registered) and/or a member of an Export Promotion Council. . . . .

8. Registration No. with DGTD/Directorate of Industries/Textile Commissioner. . . . . .

Whether the registered exporter-manufacturer holds a licence under the Industries (D & R) Act for the products currently manufactured, (if so details to be given); and whether the capital goods being applied for would result in an expansion of capacity or involve production of new articles, and steps are taken to have the necessary expansion or diversification licence. Industrial licence should be

APPENDIX 3—*contd.*

quoted, indicating the item of manufacture for which the Industrial Licence was issued and also whether the Industrial Licence is still valid; and if so, up to what date.

10. Whether any export obligation was imposed in the Industrial Licence; if so, a copy of the Government approval should be enclosed.)

11. Whether the present application is connected with any foreign collaboration; if so, whether any export obligation was imposed . . .

12. Whether you have any un-fulfilled export obligation; if so, details should be furnished. . . . . .

13. Whether you have any unutilised import licence; if so, full details should be furnished. . . . . .

14. Treasury chalan No. and date. . .

15. Whether the C.G. applied for, will lead to any expansion of capacity; if so, to what extent. . . . .

16. The value of your investment in the existing machinery. . . .

17. Whether the present application is for :— . . . . . .

(*a*) New scheme . . . .

(*b*) To complete a scheme on which substantial progress has been made. . . . . .

(*c*) Expansion . . . . .

(*d*) Balancing. . . . . .

(*e*) Diversification . . . .

(*f*) Replacement . . . .

(*g*) Modernisation. . . .

(*h*) Testing . . . . .

(*i*) Quality Control . . .

18. Whether advertisement procedure laid down in para 137 of I. T. C. Handbook of Rules and Procedure 1970 has been complied with. The result of the advertisement should be indicated. . . . . .

19. If the applicant is a Small Scale Unit, whether it will continue to remain so after the proposed import . .

(*a*) Present total assets. . . .

(*b*) Total assets after import of Capital goods applied for. . .

(*c*) Value of the total equipment at present and the value of the equipment after import of Capital goods asked for. . . . .

APPENDIX 3—*contd.*

PART III

(To be filled in by the sponsoring authority)

1.	Address and location of the factory.			
2.	Registration number allotted by the sponsoring authority or number and date of licence issued under Industries (D. & R.) Act, 1951.			
3.	Existing or proposed block capital investment in Rupees in the shape of machinery and equipment.	*Existing* Rs	*proposed* Rs.	*Total* Rs.
4.	Items proposed to be manufactured with the machinery to be imported.			
5.	Sanctioned manufacturing capacity per annum and details of articles produced during the past three years indicating quantity and value separately.			
6.	Details of estimated production, capacity, weight, number, etc.			
7.	Whether the proposed machinery is required for setting up of new units, modernisation, improvement, balancing, replacement or expansion of capacity. If for replacement, the date of import/ purchase of the existing machinery may be indicated. (In the case of S. S. I. units, the applicant has to furnish a certificate from the S.I.S.I. of the State concerned as provided in para 131 (6) in Chapter VI of the Hand Book of Rules and Procedure. The sponsoring authority may ensure that the required certificate accompanies the application).			
8.	Raw materials required in the production and sources from where these are proposed to be procured. In case of imported raw materials, quantity and value of annual requirements may be indicated.			
9.	Details of machinery recommended for import (with one copy of the detailed list of equipment attested and stamped pagewise).			

S. No.	Description of the machinery and equipment	Quantity of each item.	C.I.F. value in rupees

10.	Indicate whether the applicant is willing to undertake the export of the products already manufactured or proposed to be manufactured by him. If so, quantity and value of estimated exports per annum may be indicated.	

APPENDIX 3—*contd.*

CERTIFICATE

I am satisfied that this firm is engaged in the production or is desirous of establishing production of the articles mentioned above and that they have a genuine difficulty in obtaining machinery and equipment the import of which is now recommended.

Date:

(Signature and designation of sponsoring authority with stamp of office)

FORM (F)

APPLICATION FOR ESTABLISHMENT OF QUOTAS OR REVISION OF QUOTAS

1. Name of the firm . . . .
   Full Postal Address:
   (i) House/Shop No. . . .
   (ii) Name of Street/Road . .
   (iii) Name of Locality . . .
   (iv) Name of State . . . .

2. Description of goods

3. Serial No. and Part of the I. T. C. Schedule.

4. Quota certificate no. and date held on any one or both the currency Areas, *e.g.*, S.C.A. and G.C.A. (Quota certificate sought to be revised to be enclosed. If no Quota certificate is held in any of the areas, this should be indicated.)

   Particulars of Quota certificate held :—

Q. C. No. and date	S. no. and Part no.	Basic year	Currency Area	Value.

5. If no quota certificate is held, or if the old quota certificate is sought to be revised, furnish details of past imports in the basic year as the case may be, in the form enclosed along with relevant documents. A certified copy of each of the documents duly signed should also be furnished.

6. General information to be furnished:
   (*a*) Date of establishment of business in India. . . . .
   (*b*) Nature of the concern, whether Public or Private Ltd., or Partnership or Proprietory or Hindu Undivided Family concern. . . . .
   (*c*) Name of Directors, Partners, Proprietors or Karta . . .
   (*d*) Details of branches or associated companies in India (names and locations). Furnish name of the Bank in which you have a Bank account together with the number of accounts, if any . . . .

APPENDIX 3—*contd.*

(*e*) Has any application been made by the applicant for fixation of quota for goods falling under the same Serial No. or Sub-item of Serial No. If so, give details, basic year chosen and letter no. and date containing the decision of the authority to whom the application was made with the same set of documents . . .

(*f*) Have any branches or associated companies mentioned in (*d*) or any of the gentlemen named in (*c*) applied for fixation of quotas for goods falling under the same Serial No. or sub-item of the Serial No. If so, give details and the basic year chosen. Also declare that a common basic year has been chosen.

(*g*) Whether the firm or its Branches or its associated concerns are in receipt of any import licence for the some or similar items as Actual users and if so, particulars of such licences should be furnished.

(*h*) Mention the changes in the constitution/name of the concern since inception or Ist April, 1951 whichever is later in the statement below:—

Date of change	Brief nature of change	No. and date of communication sanctioning transfer of quotas

7. Reasons to prove the necessity for establishment or refixation of quotas. (If necessary this information may be given in a separate statement) . .

8. Full details of the enclosures attached with the application. (Every copy of the document should be marked as a true copy and signed beneath by the applicant).

S. No.	Nature of the documents.

(i) I/We hereby declare that the above statements are true and correct to the best of my/our knowledge and belief. I/We fully understand that any quota certificate granted to me/us on the basis of the statement furnished is liable to cancellation in addition to any other penalty that the Government may impose having regard to the circumstances of the case, if it is found that any of the statement or facts therein are incorrect or false.

(ii) I/We possess/do not possess two quota certificate for Serial number/sub-serial number (to be specified) and declare that I/We have submitted no other application for obtaining quota certificates for the same serial Number/Sub-Serial number previously.

Station _____

Date _____

Signature _____
Name in Block Letters _____
Designation _____
Residential Address _____

APPENDIX 3—*contd.*

ANNEXURE TO THE APPLICATION FOR ESTABLISHMENT OF FRESH QUOTAS OR REVISION OF QUOTAS

STATEMENT OF PREVIOUS IMPORTS

Particulars of Bills of Entry No. and date, etc. (*i*) Bill of Entry Cash no. and (duty paid) date in respect of Home Consumption Bill of Entry. (*ii*) I. D. F. no. and date in the case of duty free articles. (*iii*) Bond no. and date in respect of bonded goods (ex-bond green bills of entry not to be taken into account) (*iv*) Post parcel 'B' no. and date of importation.		C. I. F. value of the items applied for as shown in the invoice and accepted by the customs (Rupees).	Detailed description of goods (as shown in the Bills of Entry) imported.	Country whence consigned as shown in the Bill of Entry, or place of despatch in respect of imports by post	Name of steamer by which imported and the port of entry	Detailed particulars of relevant licence against which imports were effected. Category, licence no. & date, value, Sr. no. EI/ Adhoc etc.
(*a*)	(*b*)					
No. of documents	Date of importation					
1	2	3	4	5	6	7

I/We solemnly declare the above statement to be true and correct to the best of my/ our knowledge and that it does not include imports specified at items (a) to (s) of the note below and the imports short landed short supplied or lost in transit.

Signature .....

Name in Block Letters.....

Designation .....

Residential Address.....

APPENDIX 3—*contd.*

NOTE :—

(a) Imports made in contravention of the Import Trade Control Rules and Regulations.

(b) Imports made without a valid licence and cleared under a warning.

(c) Imports made in excess of the value of the licence and allowed to be cleared by the Customs authorities on payment of fine/penalty. Only such excess will not qualify for quota fixation.

(d) Imports made by the applicant under a letter of authority authorising him to import goods against a licence granted to another party.

(e) Imports made under licences granted against the orders of the late D.G. (I. & S.) (now D.G.S. & D.) or of the State Railways. or of Defence Organizations.

(f) Imports made under licences granted to actual users in respect of raw materials or accessories or other articles.

(g) Imports made under *ad-hoc* licences (other than those *ad-hoc* licences which were issued for import of goods for stock and sale purposes only) or licences granted subject to the express condition that imports thereunder will not be taken into account in calculating quotas whether the licences are marked N.Q.Q. or not.

(h) Imports made against C.G. & H.E.P. licences by actual users or other imports against orders from actual users. However, imports made against C.G. & H.E.P. licences for stock and sale purposes will be taken into account for purposes of calculation of quota only in respect of S. No. 36/II, S. No. 4/III and S. No. 65/V of the I.T.C. Schedule.

(i) Imports of goods of no commercial value made under O.G.L. IV.

(j) Imports made against licences granted under the export promotion schemes, avocation schemes or under the import policy for registered exporters.

(k) Imports made against "replacement licences".

(l) Imports casual nature *e.g.*, imports for personal use or imports as samples.

(m) Imports of equipments against licences issued under the Irrigation Projects Licensing Scheme.

(n) Imports made under licences issued through inadvertence or mistake or contrary to rules or provisions of Imports (Control) Order, 1955, or obtained by fraud or misrepresentation, subsequently detected.

(o) Imports made by an actual user under O.G.L. or otherwise of goods which were used by the actual user in his own factory/establishment.

APPENDIX 3—*contd.*

(p) Licences issued against specific orders from actual users.

(q) Goods which are not cleared for home consumption.

(r) Imports made against licences issued under National Defence Remittance Scheme.

(s) Imports made under the concession of interchangeability provided to established importers or others.

(t) Any other imports which do not qualify for quota under import policy in force.

FORM 'G'

FORM OF APPLICATION FOR REVALIDATION OF LICENCES

PART A

1. Names and full address of the licensee .
2. Licence no., date & value . . .
3. File no. of the licensing authority from which the licence was issued. . .
4. Description of goods . . . .
5. Value for which goods have been shipped during the initial period of validity including period of revalidation already availed of, if any . . . .
6. Value for which irrevocable commitment has been made during the initial period of validity including period of revalidation already availed of, if any. (Supporting documentary evidence should be furnished) . . . . .
7. Whether first or second or subsequent request, for revalidation (in the case of second or subsequent requests, the period of revalidation availed of earlier should be indicated) . . . .
8. Reasons for seeking revalidation (supporting documents to be furnished) .
9. Period of revalidation applied for . .
10. list of enclosures . . . .

.....
(Signature with full name)

Designation .....
Relationship .....
Full address.....
.....

Place .....
Date .....

APPENDIX 3—*contd.*

PART B

Recommendations of the sponsoring authority

PART C

Action in the licensing Office

FORM 'H'

Transferred to Appendix 4

APPENDIX 3—*contd.*

I

Application form for Established Importers
(Repeat Licensing Schemes)
Deleted.

APPENDIX 3—*contd.*

FORM (J)

Form of application for a licence for Import of Newsprint for publishing Newspapers/Periodicals

PART I

(To be filled in by the applicant for use in the licensing Office

A. Particulars of the applicant

1. Name of the applicant . . .
2. Full Postal Address:—
   (*i*) House/Shop No.
   (*ii*) Name of street/Road . . .
   (*iii*) Name of locality and city . .
   (*iv*) Name of State . . . .
3. Telegraphic Address . . . .

B. Particulars of application :

1. Registration No. allotted to Income tax Verification certificate or Exemptions therefrom:—
   (*i*) I.V.C. Registration/Exemption Number valid for the licensing period to which the application pertains .
   (*ii*) Previous I.V.C. Registration/Exemption number . . . . .
2. Treasury receipt No. and date (Treasury receipt to be attached in original) . . . . . .
3. Licensing period in respect of which application is made . . . .
4. (*a*) Country from which the goods are sought to be imported . .
   (*b*) Where shipment is to be effected from a country different from the country in which the goods originated, full statement of reasons for the same should be given .
5. Is a letter of authority desired? If so, name of the firm in whose favour it is desired . . .

General information to be furnished :

1. Date of establishment of business in India . . . . . .
2. Nature of the concern, whether Public Company or Private Company, Partnership or Hindu undivided family concern .
3. Names of all the Directors, Partners, Proprietor or Karta, as the case may be, with their addresses . . .
4. Details of branches or associated companies (name and location):—
   (*i*) In India . . . . . .
   (*ii*) Abroad . . . . . .
5. Has any application been already made by the applicant for goods falling under the same S. No. or sub-item of Serial No. for the same period from any country in any category ? If so, give details

APPENDIX 3—*contd.*

6. Have any branches or associate companies mentioned in (4) or any of gentlemen named in (3) applied for an import licence for import of goods falling under the same serial number for the same period? . .

7. Is any branch/associate concern of applicant holding an Established Importer quota for particular item/ items covered by this application? If so, details of quota certificates/ Established Importers licences may be given . . ..

8. The Customs House where the import licence, if granted, will be registered . . . . .

9. Full details of the enclosures attached with the application. (Every copy of the document should be marked as a true copy and signed beneath by the applicant) . . . .

PART II

(To be filled in by the applicant for use by the sponsoring authority)

1. Title of the newspaper/periodical and the date from which it is regularly published . . .

2. Area of the page of newspaper/ periodical (in sq. inches/sq. cms.) during 1957 or the first year of publication and also during previous licensing period . . . .

3. Average number of pages per issue, including supplements, during 1957, or the first year of publication and also during previous licensing period . . . .

4. Periodicity of issue and language of the newspapers/periodicals and whether it has been in regular publication during the last calendar year indicating the actual number of days of publication . .

5. Average circulation per publishing day during the period April 1961—March 1962, indicating the paid and free (including complimentary, voucher, exchange, bonus, sample and office copies only) circulation, separately. Copies representing unsold returns and other copies which might have been printed, but not actually sold or distributed free as complimentary, voucher copies, etc. should not be included in the circulation statement but shown separately. The number of copies

distributed free, unsold returns or any other copies printed but neither sold nor distributed free would be taken into consideration for purposes of allotment of newsprint, provided these represent a reasonable percentage of the print order. The circulation along with size and pages should be certified by a Chartered Accountant where it exceeds 2,000 copies per publishing day . .

6. Sample copy of an issue bearing the date of 1st April, (current year) or the date nearest to it, should also be sent .

7. Whether the newspaper/periodical is registered with the Registrar of Newspapers for India and, if so, the registration number allotted . . . .

8 The total quantity of newsprint (imported and indigenous to be shown separately) allotted and consumed during previous licensing period. In case an applicant consumed more newsprint than what had been allotted the period mentioned above, for source (s) from which the additional quantities were procured should also be indicated . .

9. Details whether the newspaper/periodical is printed on rotary or flat-bed press or any other type of printing machinery, and . . . . . .

10. Particulars of newsprint to be imported.

Item and ITC S. No.	Quantity	Value (c i.f.)

11. Particulars of licences issued and imports effected during the last three periods.

Licensing Period	No. and date and value of licence	Value (c.i.f.) of imported goods	Description of goods imported

12. Stocks

Expected arrivals against Licences, c.i.f. allocations, Nepa and Printing & Writing paper authorisation

Against previous licensing year entitlement.	Against current year quota, if any	Against previous licensing entitlement	Against current year expected entitlement	Total

(*i*) Imported :

(*a*) Glazed . . . . .

(*b*) Unglazed . . . .

(*ii*) Nepa newsprint . . . .

(*iii*) Printing & writing paper . . .

13. Period for which stock and expected arrivals are to last . . .

14. Consumption of the imported newsprint during the 12 months . .

Item	Quantity	Value

1. I/We hereby declare that if this licence is granted, the goods will be utilised only for printing of the Newspapers/periodicals for which the same is applied for and no portion thereof will be sold to or permitted to be used for any other newspaper(s) or for any other purpose.

2. I/We hereby declare, that the above statements are true and correct to the best of my/our knowledge and belief. I/We fully understand that any licence granted to me/us on the basis of the statement furnished is liable to cancellation, in addition to any other penalty that the Government may impose or any other action that may be taken, having regard to the circumstances of the case if it is found that any of the statements of facts therein are incorrect or false.

Signature .....

Name in Block Letters.....

Dated :

Designation .....

Residential Address.....

APPENDIX 3—Contd.

FORM "K"

FORM OF APPLICATIONS FOR PUBLIC SECTOR PROJECTS AND UNDERTAKINGS FOR IMPORT OF (I) MAINTENANCE AND OPERATONAL ITEMS OF SPARES AND STORES & (II) RAW MATERIALS, COMPONENTS AND MAJOR ASSEMBLIES

1. (*i*) Name of the applicant.
   (*ii*) Postal address of the applicant.
   (iii) Telegraphic address of the applicant.
   (iv) Address and location of factory.
2. *Particulars Regarding Industrial Unit* :
   (*i*) Name of the industry and the purpose for which the goods applied for are required;
   (ii) Description of goods manufactured.
3. Treasury receipt no. and date (treasury receipt to be attached).
4. Licensing period.
5. Particulars of goods to be imported and their c.i.f. value (to be detailed in a separate list to be attached).
6. Where shipment is to be effected from a country different from the country in which the goods originated, full statement of reasons for the same should be given.
7. Is a letter of authority desired? If so, name of the firm in whose favour it is desired (necessary documentary evidence should be furnished).
8. *General Information to be furnished* :
   (*i*) Nature of the concern;
   (*ii*) The Customs House where the import licence if granted, will be registered.
9. Full details of the enclosures attached with the application :

DECLARATION

(1) I/We hereby declare that the goods for the import of which the application has been made are not meant for use in the manufacture of new articles for which a licence has not been obtained under Industries (Development and Regulations) Act, 1951.

(2) I/We hereby declare that if this licence is granted the goods will be utilised only for consumption as raw materials or accessories in our factory and that no portion thereof will be sold to or be permitted to be used by any other party.

(3) I/We hereby declare that the above statements are true and correct to the best of my/our knowledge and belief. I/We fully understand that any licence granted to me/us on the basis of the statement furnished is liable to cancellations in addition to any other penalty that the Government may impose having regard, to the circumstances of the case if it is found that any of the statements of facts therein are incorrect or false.

Signature ——————————

Name in Block letters——————————

Date :——————————

Designation ——————————

Residential Address——————————

Note : In the case of applications for maintenance and operational items of spares and stores, a certificate should be appended by the applicant at the end of the application form covering the following points :—

(*a*) that the items sought to be imported are either not available indigenously or available in specific delivery period not suitable to the Project authority; and

(*b*) that they are not banned or if banned, suitable clearance from the D.G.T.D. has been obtained.

(Floating of enquiries in trade journals in time and non-receipt of acceptable offers will be a sufficient ground for certifying indigenous non-availability by the Project authorities).

APPENDIX 3—Contd.

FORM I

IMPORT APPLICATION FOR 'EMERGENCY' SPARES

———

A. Particulars of applicant :

1. Name of the applicant.
2. Full Postal address.
3. Telegraphic Address.
4. Address of location of factory.
5. Goods manufactured.

B. Particulars of application :

1. Registration no. allotted to Incometax Verification certificate or Exemption therefrom :—

   (*i*) I.V.C. Registration/Exemption Number valid for the licensing period to which the application pertains :

   (*ii*) Previous I.V.C. Registration / Exemption number :

2. Treasury receipt no. and date (treasury receipt to be attached in original).
3. Description of the machinery for which spares are required & c.i.f. value of spares to be imported.
4. Country from which the spares applied for are to be imported.
5. Country from which the original equipment was imported.
6. Where shipment is to be effected from a country different from the country in which the goods originated, full statement of reasons for the same should be given.
7. Engineers' certificate to be attached (Please see foot note (iii).

C. General information to be furnished.

1. Are you borne on the books of the D.G.T.D. and if so, indicate the factory number allotted by D.G.T.D.
2. Registration no. allotted by the State Director of Industries (in the case of non-D.G.T.D. units).

3. Value of emergency spares licence, if any, obtained or applied for already in respect of the same machinery during the same licensing period in which the present application has been made.

4. Nature of the concern, whether Public Company or Private Company, Partnership or Hindu Undivided Family concern.

5. Names of Directors, Partners, Proprietor or Karta as the case may be.

6. Details of branches or associated companies (name and location):—

   (*i*) In India.

   (*ii*) Abroad.

7. Is a letter of authority desired? If so, name of the firm in whose favour it is desired.

8. The Customs House where the import licence, if granted, will be registered.

(1) I/We hereby declare that if this licence is granted, the goods will be utilised only in our factory and that no portion thereof will be sold to or permitted to be used by any other party.

(2) I/We hereby declare that the above statements are true and correct to the best of my/our knowledge and belief. I/We fully understand that any licence granted to me/us on the basis of the statement furnished is liable to cancellation, in addition to any other penalty that the Government may impose or any other action that may be taken, having regard to the circumstances of the case if it is found that any of the statements or facts therein are incorrect or false.

Date :

Signature .....

Name in block letters .....

Designation .....

Residential Address .....

Note : (*i*) This form is intended for applications made by actual users for the grant of emergency licences for import of spare parts.

(*ii*) Apart from the details provided for in this form, proper justification for the import of spares on a most immediate basis should be given in the letter forwarding the application.

(*iii*) The applicant should attach a certificate from a qualified engineer of any production machinery to the effect that the spare parts applied for import are required on immediate basis to overcome an emergency breakdown or a breakdown which is unavoidable for technical reasons in the course of next one month. In the case of small scale units who are not in a position to produce a certificate from a qualified engineer a certificate issued to them by Small Industries Service Institute will be accepted.

APPENDIX 3—Contd.

FORM 'M'

Form of application for replacement of licence

'A' — Particulars of the applicant :

1. Name of the applicant :—
2. Full postal address :—
   (*i*) House/Shop number
   (*ii*) Name of street/road
   (*iii*) Name of locality and city
   (*iv*) Name of State
3. Telegraphic address :
4. Address of location of factory :

'B' — Particulars of application :

1. Registration number allotted to Income-tax verification certificate or Exemption therefrom :
   (i) I.V.C. Registration/Exemption No. valid for the licensing period to which the application pertains.
   (ii) Previous I. V. C. Registration/ Exemption No.
2. Treasury receipt number and date (treasury receipt to be attached in original) :
3. Nature of concern, whether Public Company or Private Company, Partnership or Hindu Undivided Family concern :
4. Names of Directors, Partners, Proprietor or Karta, as the case may be :
5. Details of branches or associated companies (name and location) :—
   (*i*) In India :
   (*ii*) Abroad :
6. Is a letter of authority desired ? If so, name of the firm in whose favour it is desired :
7. The Customs House where the import licence, if granted, will be registered :
8. Detailed description with size, quantity, specification etc., and also the respective I.T.C. serial numbers of the goods to be imported :
9. C.i.f. value in rupees of the goods to be imported :

10. Description with size, quantity, specification, etc., of previous consignment in replacement of which the application is made :

11. C.i.f. value in rupees of the previous goods in replacement of which the application is made.

12. Reasons for the difference, if any, between the specifications and the c.i.f. values of the previous consignment and the goods sought to be imported in replacement thereof :

13. No. and date of the licence and file no. of the licensing office pertaining to the previous consignment :

14. Date of shipment/arrival/clearance of previous consignment (s) :

'C' — General information to be furnished :

1. Please State whether :—

(a) The previous consignment was short-landed or lost in transit prior to actual import; or

(b) The previous goods were found lost or damaged after import;

or

(c) The previous goods were found defective or unfit for use after import;

(d) The previous goods were found unfit for use/damaged during the period of guarantee :

2. Whether the goods sought to be imported in replacement are a free supply by the foreign supplier or are to be imported against an insurance claim.

3. (a) In the case of free supply, why the same cannot be imported under O.G.L. No. IV ?

(b) In case where the free supply of the goods cannot be covered by O.G.L. No. IV, please state the amount of insurance and freight, if any, required to be paid to import the goods : (Necessary documentary evidence to prove that the goods are to be supplied free of cost with or without insurance or freight charges, should be furnished).

4. In case the loss or damage to the goods was caused on the docks after landing and the goods in question were insured at the time of such loss or damage; please state :—

(a) Whether any insurance survey certificate was issued by any authorised insurance surveyors to the effect that the goods were actually lost or damaged while on the docks after landing; and if so, attach the certificate —

(b) The amount in rupees of the claim accepted by the insurance company and produce a certificate from them to the effect that they have accepted the claim for the said amount as the value of the goods lost or damaged.

(c) The reasons for the difference where the value of the claim accepted is more than the original value of the goods lost or damaged ;

(d) Whether the insurance policy was taken from an Indian company or from a non-resident insurance company. In the former case, a certificate from the insurance company should be produced to the effect that the insurance policy was issued by the company in India and the claim settled for payment in Indian rupees.

5. (1) In the case of machinery, where the defect, damage, breakage or loss is noticed after installation or operation of the machinery and it is covered by the terms of warranty/guarantee given by the foreign supplier, please furnish :—

(a) Original evidence of acceptance by the foreign suppliers to replace the goods in question, free of charge.

(b) A certificate from a qualified engineer to the effect that the particular machine or part thereof, is considered unfit for use in the main plant etc., for which it was intended.

(c) Original evidence showing the date of previous importation of machinery and the period of guarantee given by the foreign supplier/manufacturer.

(2) If the said defect, damage, breakage or loss is covered by a marine insurance policy, please state/furnish :—

(a) The amount in Indian rupees of the claim accepted for payment by the insurance company.

(b) A certificate from the insurance company to the effect that they have accepted the claim for payment of amount as indicated against Col. 5(2) (a) above, as the value of goods found defective, damaged, broken or lost.

(c) A survey certificate issued by any authorised surveyors or any other satisfactory evidence to prove that the goods were actually found defective, damaged, broken or lost.

6. Full details of the documents attached with the application.

DECLARATION

(1) I/We hereby declare that if this licence is granted, the goods will be utilised only in our factory and that no portion thereof will be sold to or permtted to be used by any other party.

(2) I/We hereby also declare that the above statements are true and correct to the best of my/our knowledge and belief. I/We fully understand that any licence granted to me/us on the basis of the statement furnished is liable to cancellation, in addition to any other penalty that the Government may impose or any other action that may be taken, having regard to the circumstances of the case, if it is found that any of the statements or facts therein are incorrect or false.

Signatures .....

Date..... Name in block letters.....

Designation.....

Residential address.....

Note :

(*i*) This form is intended for all categories of applicants.

(*ii*) The declaration (i) above is relevant to the actual user applicants only.

(*iii*) The form should be carefully filled by the applicant to enable the licensing authority to avoid unnecessary correspondence. No column should be left blank. The words "yes" or "no" or "not applicable" can be used against the columns in the application form wherever necessary. If the applicant is not able to give answer to any particular column, he should give a positive reason for the same.

APPENDIX 4

(Para 102 of Chapter V)

ANNEXURE I

List of Registering Authorities

Sl. No.	Export Product	Registering Authority
1	Engineering goods; stainless steel products; and ship repairing.	Engineering Export Promotion Council "World Trade Centre", 14/1B, Ezra Street (3rd Floor), Calcutta-1, and its Regional offices, Commerce Centre (2nd Floor), Tardeo Road, Bombay-34; Sire Mansion, 123, Mount Road Madras-6; and D-55, Defence Colony, New Delhi-3.
2	Chemicals and allied products namely—	Chemicals and Allied Products Export Promotion Council, 14/1B, Ezra Street, 2nd Floor, Calcutta-1.
	Chemicals, drugs, cosmetic and toiletries, pharmaceuticals, glass and glass ware, ceramics paints, rubber products, including tyres and tubes, paper and paper products, including books, journals, periodicals.	Basic Chemicals, Pharmaceuticals and Soap, E.P. Council, Jhansi Castle (4th Floor), 7, Cooperage Road, Bombay-1; Regional Office of the Chemicals and Allied Export Promotion Council, Sire Mansion, 123, Mount Road, Madras-6.
3	Plastics	Plastics and Linoleum Export Promotion Council, Patel Industrial Centre, 68, Tardeo Road, Bombay-34; and its Regional offices at Sire Mansion, 123, Mount Road, Madras-6 and 14/1B, Ezra Street, Calcutta-1.
4	Leather and leather goods . . .	Leather Export Production Council Marble Hall, 3/8, Veper High Road, Madras-3; Export Promotion Council for Finished Leather and Leather Manufactures, 15/46, Civil Lines, Post Box No. 198, Kanpur and its Regional Office at "Niranjan" 2nd Floor, 99, Marine Drive, Bombay-2.
5	Sports goods	Sports Goods, Export Promotion Council, 1E/6, Jhandewala Extension, New Delhi-1.
6	Fish and fish Products . . .	Marine Products Export Promotion Council, World Trade Centre, Mahatma Gandhi Road, Ernakulam-6.
7	Processed foods other than curry powder and paste.	Processed Foods Exports Promotion Council, 119, Jorbagh, New Delhi-3.
8	Curry powder and paste	Spices Export Promotion Council, World Trade Centre, Mahatma Gandhi Road, Ernakulam-6.
9	Handicrafts, woollen carpets, rugs and druggets.	The All India Handicrafts Board, West Block No. 7, Ramakrishna Puram, New Delhi-22.

APPENDIX 4—Contd.

1	2	3
10	Cashew Kernels	Cashew Export Promotion Council, World Trade Centre, Mahatma Gandhi Road, Ernakulam-6.
11	Tobacco and tobacco products .	Tobacco Export Promotion Council, 123, Mount Road, Madras-6.
12	Woollen textiles and hosiery etc. and mixed fabrics.	Wool and Woollens Export Promotion Council, 'Manohar', 27, New Marine Lines, Bombay-6. and its regional office at Ludhiana. (Punjab).
13	Coir	Coir Board, Post Box No. 80, Ernakulam (Kerala).
14	Cotton textiles	Cotton Textiles Export Promotion Council, Engineering Centre, 5th Floor, 9, Mathew Road, Bombay-4, and Handloom Export Promotion Council, 123 Mount Road, Madras-6.
15	Ready-made garments (other than of natural silk).	Cotton Textiles Export Promotion Council Engineering Centre, 5th Floor, 9, Mathew Road, Bombay-4. Wool and Woollens Export Promotion Council, 'Manohar', 27, New Marine Lines, Bombay-6. Handloom Export Promotion Council, 123, Mount Road, Madras.
16	Natural silk fabrics and garments .	Handloom Export Promotion Council, 123, Mount Road, Madras-6, Silk and Rayon Export Promotion Council, Resham Bhavan, 78, Veer Nariman Road, Bombay-1.
17	Gem and jewellery	Gem and Jewellery Export Promotion Council, D-15, Commerce Centre, Tardeo Road, Bombay-34.
18	Cinematograph films (exposed) feature films, documentaries, advertising films.	Export Promotion Authorities at Bombay, Calcutta and Madras.
	News films and T.V. films . . .	Export Promotion Authorities at Bombay, Calcutta, Madras and C.L.A., New Delhi.
19	Natural fibre products . . . (other than coir products)	Jute Commissioner, Calcutta.
20	Nylon Products	Silk and Rayon E. P. Council, Resham Bhavan, 78, Veer Nariman Road, Bombay-1.
21	Cellulosic products	Silk and Rayon E. P. Council, Resham Bhavan, 78, Veer Nariman Road, Bombay-1.
22.	Blended products from mixture of cotton/cellulosic, fibre or yarn/ Nylon/Polyester fibre or yarn.	Cotton Textiles E. P. Council, Engineering Centre, 5th Floor, 9, Mathew Road, Bombay.

APPENDIX 4—Contd.
(Para 103 of Chapter V)

ANNEXURE II

Form of Application for Registration

To

_____

_____

_____

Dear Sirs,

SUB:—*Registration under the Import Policy for Registered Exporters*

Kindly register us under the above policy as manufacturer exporters/merchant exporters of.....(the major products covered by the import policy for registered exporters, exported by the applicant may be mentioned here).

1. (*a*) Name and address (with telegraphic address and telephone No.) of registered office, head office and branches.

   (*b*) Whether Proprietory/Partnership concern or Private/Public Limited Company or Cooperative Marketing Society, etc. (Names of Proprietor/Partners/Directors/Managing Directors should be furnished with their permanent addresses).

   (*c*) Names of the associate firms for whom the applicants act as agents in export business.

   (*d*) Name and address of the applicant's banker.

   (*e*) Income-tax verification Number and date.

   (i) Date of establishment of business/factory in India.

   (ii) Date of commencement of export business.

   (iii) Capital employed.

2. Whether licensed/registered under the Industries (Development and Regulation) Act. If so, number and date of licence/registration certificate.

3. Whether products manufactured are on approved (DGS&D) rate/running contract. I.S.I. certification marked G.T.H. Alipore tested or otherwise quality controlled (specify the scheme of Quality Control applicable.)

4. Whether enlisted with D.G.T.D./State Director of Industries.

5 (*a*) Details of past exports during the last three years, if any, (products for which registraton is sought and other products not covered by the scheme should be indicated):—

Year	Description	Quantity/Value	Unit value	Major countries to which exported
(1)	(2)	(3)	(4)	(5)

(In case where there is no export, a statement of internal sales turnover for the last three years of the items desired to be exported, duly attested by the auditors, should be submitted).

APPENDIX 4—Contd.

5(*b*) Details of commitment of future export for the succeeding three years :—

Year	Description of goods to be exported	Quantity	Value

6 If new to export field, state details of any overseas market surveys conducted or of export promotional efforts made.

7 Have any complaints been received in respect of quality/delivery/after sales-servicing of goods exported in the past, and if so, how were they disposed of ?

8 If merchant-exporter, please indicate what arrangements have been made with manufacturer/manufacturers whose products are to be exported.

9 Export commodities in respect of which registration is sought.

10 Whether the firm is already a registered exporter for some other commodity ? If so, give registration number and details thereof.

11 (*a*) Whether a member of any recognized trade body, if so, give particulars.

(*b*) Whether firm is registered under the Factories Act ? If so, registration No. and date.

(*c*) Whether the firm holds a Corporation or Municipal licence for factory premises for the current year ?

12 Whether a certificate from the applicant's bankers certifying the financial position is attached ?

We hereby solemnly declare the above stated information to be true and correct and undertake without any reservation to :—

(*i*) abide by the terms of the registration certificate granted to us on all our exports;

(*ii*) use the import licences for the purpose for which they are issued and under the terms and conditions under which they are issued.

(*iii*) agree to abide by any code of conduct that may be prescribed by the registering Authority.

(*iv*) agree to abide by any export floor price conditions that may be stipulated by the registering authority.

(*v*) furnish without fail monthly returns of exports including nil returns by the 5th of the following month.

We further understand that our registration is liable to be cancelled in the event of breach of any of the undertakings mentioned above.

Yours faithfully,

Name in Block Letters .....

.....

Designation .....

Residential Address .....

APPENDIX 4—Contd

(Para 103 of Chapter V) ANNEXURE II-A

Registration-cum-*Membership Certificate*

PART I

(To be filled in by the applicant)

1. Name of applicant . . .
2. Whether Head Office or a Branch .
3. If Head Office, give names of Branches with addresses . . . . .
4. Address of applicant :
   (*i*) Postal address . . .
   (*ii*) Telegraphic address . .
   (*iii*) Address of factory, if any. .
5. (*i*) Description of goods manufactured (if any) . . . .
   (*ii*) Description of goods exported .
6. Whether merchant-exporter or manufacturer-exporter . . .
7. Year of establishment of the applicant . . . . .

I/We hereby declare that the above information is correct to the best of my/our knowledge and belief. I/We also undertake to abide by the conditions subject to which registration/membership is granted.

Signature ———————————

Name ———————————

(In block letters)

Dated ———————————. Designation ———————————

Residential address ———————————

PART II

(To be signed by the sponsoring Authority in the case of a manufacturer)

This is to certify that the above firm has been allotted *Registration No..... .....and is engaged in the manufacture of following goods :—

Description of goods manufactured

(Signature of sponsoring Authority)

Name ———————————

(In block letters)

Designation ———————————

Seal ———————————

*In the case of DGTD units factory number may be given instead of Registration Number.

APPENDIX 4—*Contd.*

PART III ANNEXURE II-A—***Contd.***

(To be signed by the concerned EP Council/Commodity Board etc.)

This is to certify that the above firm is registered under the import policy for Registered Exporters in terms of the provisions in the Import Trade Control Hand Book of Rules and Procedure as per following particulars:—

(*i*) Description of goods for which registered . . . .

(*ii*) Date of application for registration . . . .

(*iii*) Registration Number . .

(*iv*) Manufacturer-Exporter or Merchant-Exporter* . . .

This certificate is issued subject to the conditions laid down in the relevant scheme of Registration.

(Signature of E. P. Council/ Commodity Board)

Name ——————————
(In block letters)

Designation ——————————

Seal ——————————

Date ——————————

*State clearly whichever is applicable.

Space for endorsement of any amendments in this certificate.

APPENDIX 4—Contd.

ANNEXURE II-A—Contd.

Procedure for the issue of registration-cum-membership certificate

The registering authorities will issue the registration-cum-membership certificate in the prescribed form. Part I of this form will be filled in by the applicant and submitted to the concerned sponsoring authority, *i.e.*, the D.G.T.D. or the State Director of Industries etc. The sponsoring authority will fill in Part II of the form. Thereafter, the exporter will submit this form to the registering authority, *i.e.*, the Export Promotion Council/ Commodity Boards for filling in Part III. Endorsement for any amendment will be done in the space indicated in the form.

2. If an applicant is both a manufacturer-exporter as well as a merchant-exporter, separate certificates may be issued to him by the registering authorities concerned.

3. Part II of the registration form will be filled in only where the applicant is a manufacturer-exporter and only in those cases where it is applicable.

4. Manufacturer-exporters should fill in this form in triplicate and merchant-exporters in duplicate. The merchant-exporter will submit this form along with his application for registration direct to the registering authority. A manufacturer-exporter will submit this form to the sponsoring authority. The sponsoring authority will, after filling in Part II, give the original and the duplicate copy to the exporter and retain the third copy for its records. The exporter will then submit the original and the duplicate copy to the registering authority along with the application for registration. The registering authority, namely, the Export Promotion Councils/Commodity Boards will retain the duplicate for their records and return the original to the exporter after filling in Part III both in the case of merchant-exporters and manufacturer-exporters.

5. To begin with, the registration certificate in this form will be issued to the new comers. For the existing registered exporters, the old forms will be changed into new forms in the course of the year 1970-71, and this work will be completed by 31st March, 1971. Meanwhile, the licensing authorities will accept registration certificates in the old form also. From 1st April, 1971, registration certificates in the new form only will be accepted.

APPENDIX 4—Contd.

ANNEXURE III

(Para 109 of Chapter V)

GOVERNMENT OF INDIA
MINISTRY OF FOREIGN TRADE
IMPORT TRADE CONTROL
Public Notice No. 47-ITC(PN)/70
New Delhi, the 31st March, 1970.

SUBJECT.—Import Policy for Registered Exporters—Procedure for certification of exports.

Attention is invited to paragraph 108(2) in Chapter V of the Import Trade Control Hand Book of Rules and Procedure 1969 according to which the exporters are required to get their exports certified by an authorised dealer in foreign exchange in the prescribed Form I and Form II as given in Annexure III in Appendix 4 of the said Hand Book.

2. In order to simplify the procedure for issuing replenishment licences, under the import policy for registered exporters, it has been decided that the authorised dealers in foreign exchange (*i.e.*, the Banks concerned) will, in future, certify the f.o.b. value in the bank certificate. Accordingly, Form I and Form II have been suitably revised, as given in the Annexure to this Public Notice.

3. The procedure to be followed by the exporters in obtaining bank certificates with f.o.b. value certified therein, will be as under :—

(*i*) After shipment, the exporter should have the exports certified by an authorised dealer in foreign exchange at the time of presentation of export documents to such dealer *i.e*, the Bank, for the purpose of negotiation and/or collection of bills. While presenting the export documents, the exporter should fill in and give to the bank the declaration (in triplicate) in the prescribed Form I, for exports made on 'Outright' sale basis and in Form II for exports on consignment/approval basis.

(*ii*) The Bank will certify the F.O.B. value of exports and countersign the declaration after necessary verification with reference to the export documents. The exporter should, therefore, produce satisfactory and acceptable evidence of payment of freight and insurance, to the bank so as to enable the bank to certify the F.O.B. value.

(*iii*) Even in cases where the transaction is on f.o.b. value, the exporter should have the f.o.b. value certified by the bank.

(*iv*) In the case of exports made on consignment/approval basis, the exporter should have the f.o.b. value certified in Form II only after the exports sale proceeds have been realised and surrendered to the Indian Foreign Exchange Control.

(*v*) All the amounts in the relevant column in the bank certificate *i.e.*, c.i.f./c. & f., freight and insurance and the f.o.b. value should be shown in Indian rupees. The rate of conversion will be on the following basis :—

(*a*) In case of outright sales, par value of exchange on the date of export; and

(*b*) In case of exports on consignment/approval basis, par value rate of exchange prevalent on the date of payment in foreign exchange against such exports.

(*vi*) The bank certificate form should be filled in triplicate. The first copy should be marked 'Original' with rubber stamp, the second copy as 'Duplicate' and the third as 'Triplicate'. The bank will return the original to the exporter and forward the duplicate to the licensing authority concerned direct. The triplicate copy will be retained by the bank for its record.

3. This procedure and the revised proforma of the bank certificate will come into effect in respect of exports made from 1st April, 1970, onwards.

Sd/-

(R. J. REBELLO),
Chief Controller of Imports & Exports.

APPENDIX 4– Contd.

ANNEXURE III—Contd.

BANK CERTIFICATES OF EXPORTS

(FORM NO. 1)

To

.....(Name and address of the Licensing Authority).

We.....(Name and address of the exporter) hereby declare that we have forwarded a documentary export bill to.....(name and address of the bank *i.e.* branch and city) for collection/negotiation/purchase as per particulars given hereunder:—

Invoice No. & date	Description of goods	Bill of Lading/ P.P. Receipt/ Airway bill No. and date	Destination of goods	Bill amount c.i.f./ c.&.f./ f.o.b.	Freight amount	Insurance amount	f.o.b. equivalent	G.R.I./ P.P. Form No.
				Rs.	Rs.	Rs.	Rs.	
1	2	3	4	5	6	7	8	9

We further declare that the aforesaid particulars are correct and that they relate to an outright sale. Copies of invoices relevant to these export are attached.

.....

(Signature of the exporter)

Ref.

Date.

Place.

Bank's Certificate

This is to certify that we have negotiated/purchased/sent for collection the above mentioned documentary export bill drawn by M/s..... for the amount mentioned in column 5 above. We have verified the f.o.b. value mentioned in column 8 above with reference to the following documents:—

(*i*) Bill of Lading/P.P. Receipt/Airway bill.

(*ii*) Insurance Policy/Cover/Insurance Receipt.

.....

(Signature of the Bankers)

Official stamp.

(Full address of the Bankers)

(Branch and City)

APPENDIX 4—Contd.

ANNEXURE III—Contd.

BANK CERTIFICATE OF EXPORTS

(FORM No. II)

(Name and address of the Licensing authority)

.....(Name and address of the exporter) hereby declare that we had effected the export on consignment basis and have received the proceeds in part/in full thereagainst as per particulars given below :—

Provisional Invoice No. & date	Invoice Value	Description of goods	Bill of Lading/ PP Receipt/ Air-way Bill No. & date	Destination of goods	GR1/ PP form No.	Amount received in India	Date of receipt payment by the exporter	F.O.B. equivalent of the amount received
	Rs.					Rs.		Rs.
1	2	3	4	5	6	7	8	9

We further declare that the aforesaid particulars are correct and that we have not obtained a certificate in Form (I) from any Bank in respect of the said export. Copies of invoices relevant to these exports are attached.

.....
(Signature of the exporter)

Bank's Certificate

Ref. No.

Date

Place

We confirm that .....(amount) shown in col. 7 has been received by us in an approved manner in respect of the above consignment on.....)*(date). We have verified the f.o.b. value as shown in col. 9 with references to the following documents :—

(*i*) Bill of Lading/PP receipt/Airway Bill.

(*ii*) Insurance policy/cover/Insurance receipt.

.....
(Signature of the Bankers)
Official Stamp

Address of the Bankers .....

.....

(Branch and city) .....

*Date of advice of payment of the collecting/remitting Bank abroad.

APPENDIX 4—Contd.

ANNEXURE IV

(Para 110 of Chapter V)

FORM 'H'

Form of application for import of goods against exports made by Registered Exporters both-Merchant-Exporters and Manufacturer-Exporters (Merchant-Exporters need not fill cols, 16, 17 and 18. Where Registered Exporters make nominations for full entitlement they need not fill Columns 16, 19 and 20 to 25).

Part A

1. Name of the applicant firm . . .
2. Full Postal Address:—
   (*i*) House/Shop No. . . .
   (*ii*) Name of Street/Road . . .
   (*iii*) Name of locality and city . .
   (*iv*) Name of State . . . .
3. (a) Telegraphic Address . . .
   (b) Address & location of factory .
4. Date of establishment of business in India . . . . . .
5. Nature of the concern, whether Public Company or Private Company, Partnership or Hindu Undivided Family concern . . . . . .
6. Names of Directors, Partners, Proprietor or *Karta* as the case may be . . . . . .
7. Details of the Head office/branches or associated companies (name and location) :—
   (*i*) In India . . . . .
   (*ii*) Abroad . . . . .
8. (*a*) No. & date of Registration Certificate (copy of registration certificate to be furnished) .
   (*b*) Whether applicant is registered as a Manufacturer-Exporter or Merchant-Exporter . . .
9. (*a*) Current I.V.C. No. valid for the period of application . .
   (*b*) Previous I.V.C. No. . . .
10. No. & date of Treasury Receipt (Treasury Receipt to be attached) .
11. (*a*) Product-group to which the exported products belong . . .
    (*b*) F.O.B. value of exports covered by this application, Rs..... .
    (*c*) Specify the period during which the exports were made and whether the application is made on monthly/two monthly/quarterly basis, or any other basis specifically agreed to by Government . .

APPENDIX 4—Contd.

ANNEXURE IV—Contd.

12. Whether any other application against exports covered by the same product group and for same period of exports has been made . . . . . .

13. Whether the exports (as per statement of export enclosed) against which the present application is made have been utilised or are intended to be utilised for claiming any import licence by way of barter or for remittance against Capital Goods or in discharge of any export obligation or for obtaining import licence under any other category . . . . . .

14. Whether the exports have been made on outright sale basis/consignment/approval basis/free replacement . .

15. Whether any application for grant of cash assistance has been made against all or any of the exports mentioned in the enclosed statement. If so, please give the reference No. and date of that application . . . . . .

16. Name of the Industry and the purpose for which the raw materials/components are required . . . . . .

17. Description of goods manufactured .

18. Registration No. allotted to the applicant by the DGTD/State Directorate of Industries/any other sponsoring authority . . . . . .

19. C.I.F. value in rupees of the licence(s) applied for . . . . . .

20. List of items applied for. (Five copies of the list to be furnished) —Separate sets of lists should be furnished for (*i*) items sought to be imported from Rupee Payment Area, (*ii*) items of tools and jigs and equipments and (*iii*) other items . . . . . .

Item	Part & S.No.	Country of Import	CIF value

21. State the basis on which items of import are claimed viz. on the basis of (*a*) A.U. licence (stating A.U. licence No. and date and enclosing original or photostat copies thereof) (*b*) Sponsoring authority's recommendation on prescribed proforma (enclosing the same) (*c*) Col. 4 of Section II of Vol. II of Red Book . . . . . .

22. C.I.F. value of canalised items if applied . . . . . .

23. C.I.F. value of other items, if desired from stocks of STC/MMTC . .

24. Is a letter of authority desired? If so, name of the firm in whose favour it is desired . . . . . .

25. The Customs House where the import licence, if granted, will be registered .

26. Full details of enclosures attached with the application . . . . .

APPENDIX 4—Contd.

ANNEXURE IV—Contd.

UNDERTAKING

I/We hereby solemnly undertake :—

(*i*) that no other application for import licence has been made or will be made in future against exports covered by this application;

(*ii*) the consignment(s) /parcel(s) have not been returned. If at any time, the exported goods are returned by the consignee, or if the sale proceeds in respect of the goods, in question, are not realised through an authorised channel within six months from the date of export or such extended period as the Reserve Bank of India may permit, necessary intimation shall be sent to the licensing authority, within one month thereof, and the value of import licenses issued against this application shall be liable to be set off against future import licences due to me/us or to my/our nominees, without prejudice to any other action that may be taken in this behalf;

(*iii*) if, as a result of a scrutiny by the licensing authority at any time, any excess licensing is found to have been done to me/us or to my/our nominees against this application, the same shall be liable for being adjusted against future licences due to me/us or to my/our nominees under any category without prejudice to any other action that may be taken in this behalf.

(*iv*) I/We hereby declare that the particulars and statements made in this application are true to the best of my/our knowledge and nothing has been concealed or held therefrom;

(*v*) I/We hereby undertake that any licence granted on the basis of this application shall be liable to cancellation without prejudice to any other action that may be taken in this behalf, if any information furnished in this application is found to be wrong or incorrect or misleading.

Signature .....
Name in Block Letters.....
.....
Designation.....
Residential Address.....

Date.....

To be filled only in the case of nomination

1. In case nomination has been made, the following particulars should be given :—

Name of the Nominee	F.O.B. value of exports for which nomination is made	Products, material, component, Part manufactured by nominee(s) on account of which nominated	Other lines of manufacture of nominee(s)
1.			
2.			
3. etc.			

Declarations

(*i*) I/We declare that I/we have not nominated any other person to claim the benefits of the f.o.b. value of exports to the extent covered by nomination made above;

(*ii*) I/We declare that the nominee(s) is/are actual user(s) engaged in the manufacture of goods indicated in the above statement.

Signature .....
Name in Block letters.....
Designation .....
Residential Address.....

Dated, ...

APPENDIX 4—Contd.

ANNEXURE IV—Contd.

Part B

Particulars of the nominee

(To be filled in by the nominee of the registered exporter. If there are more than one nominee, this form should be filled in by each nominee separately).

1. Name of the Nominee . . .

2. Full Postal Address:—

   (*i*) House/Shop No. . . .

   (*ii*) Name of Street/Road .

   (*iii*) Name of locality & city . .

   (*iv*) Name of State . . .

3. (a) Telegraphic Address . . .
   (b) Address & location of Factory

4. Date of establishment of business in India . . . . . .

5. Nature of the concern, whether Public Company or Private Company/Partnership or Hindu Undivided Family concern . . . . . .

6. Name of Directors, Partners, Proprietor or *Karta* as the case may be . . . . . .

7. Details of head office, branches or associated companies (names and location) :—

   (*i*) In India . . . .

   (*ii*) Abroad . . . .

8. (a) Current IVC Number valid for the period of application . .

   (b) Previous IVC Number . .

9. Name of the Industry and the purpose for which the raw materials/components are required . . .

10. Description of goods manufactured.

11. Registration No. allotted to the applicant by the DGTD/State Directorate of Industries/any other sponsoring authoruty . . . . .

12. C.I.F. value in rupees of the licences applied for . . . . .

13. List of items applied for (Five copies of the list to be furnished—Separate sets of lists should be furnished for (*i*) items sought to be imported from Rupee Payment Area, (*ii*) items of tools and jigs and equipment (*iii*) other item . . . . . .

Item	Pt. S. No.	Country of Import	C.I.F. Value Rs.

14. State the basis on which items of import are claimed viz., on the basis of (*a*) A.U. licence (stating A.U. Licence No. and date and enclosing original or photostat copies thereof) (*b*) Sponsoring authorities recommendation on prescribed proforma (enclosing the same) (c) Col. 4. of Section II of Vol. II of Red Book.

15. C.I.F. value of canalised items if applied . . . . . .

16. C.I.F. value of other items if desired from Stocks of STC/MMTC . . .

17. Is a letter of authority desired, If so, name of the firm in whose favour it is desired . . . . . .

18. The Customs house where the import licence, if granted, will be registered.

Undertaking

I/We hereby undertake that, if as a result of a scrutiny by the licensing authority at any time, of the application of the Registered Exporter, any excess licensing is found to have been done to me/us as nominee, the same shall be liable for being adjusted against future licences due to me/us under any category, without prejudice to any other action that may be taken in this behalf.

Signature .....

Name in Block letters.....

Designation.....

Residential Address.....

.....

Date.....

APPENDIX 4—Contd.

ANNEXURE IV—Contd.

Particulars of Exports as Certified by the Exporter's Bank (s) against which Import Licence is applied for (the columns in the Statement should be filled in Bank Certificate-wise)

Name & address of the Banks (which issued the Bank Certificates)	No. & Date of Bank Certificate (Enclose original Bank Certificate)	Invoice No. as given in Bank Certificate	No. & Date of the Shipping Bill (Enclose copy of shipping Bill duly authenticated by the Customs.)	Description of product exported [Indicate Sl. No. and page No. of Section II of Red Book (Vol II)]	F.O.B. value of exports	If the export has been made on c.i.f. or C & F basis indicate		Rate & amount of import replenishment due		Particulars regarding Nomination (to be filled in where nominations have been made)	
						Freight charges paid	Insurance charges paid	Rate	Amount	Name of the nominee	FOB value of exports for which nominated
					Rs.	Rs.	Rs.		Rs.		
1	2	3	4	5	6	7	8	9	10	11	12

I/We hereby declare that the informaton given in this statement is correct. I/We also undertake that the value of the Import Licence granted on the basis of this Statement shall be liable to be set off against future import Licences due to me/us or to my/our nominees without prejudice to any other action that may be taken in this behalf, in case any part of the information contained in this statement is found incorrect, false or misleading.

Signature of Applicant.....

Name in Block letters.....

Designation .....

Date.....

Residential Address.....

Certificate by Chartered Accountants

I/We do hereby certify that the information regarding particulars of exports furnished in this statement is correct and complete.

I/We have verified this from the following records :—

(1) Bank Certificates
(2) Shipping Bills
(3) Invoices
(4) Other relevant documents

Signature and seal of Chartered Accountant.....

Full Address.....

ENCL.— (*i*) Bank Certificates as above
(*ii*) Shipping Bills as above.

APPENDIX 4—Contd.

(Para 110 of Chapter V)

List of Licensing Authorities

ANNEXURE V

Name of the licensing Authorities	Jurisdiction
1. Joint Chief Controller of Imports and Exports, Bombay.	Madhya Pradesh and Maharashtra.
2. Joint Chief Controller of Imports and Exports, Calcutta.	Assam, Bihar, Orissa, West Bengal, Naga Land, Manipur, Tripura, NEFA, Andaman and Nicobar Islands.
3. Joint Chief Controller of Imports and Exports, Madras.	Tamil Nadu, Mysore (excluding Mangalore Distt.), Pondicherry, Karikal, Mahe and Yanam.
4. Joint Chief Controller of Imports and Exports, Central Licensing Area, New Delhi	Rajasthan, Punjab, Haryana, Delhi, Himachal Pradesh and Chandigarh.
5. Dy. Chief Controller of Imports and Exports, Panjim, Goa.	Goa, Daman and Diu, Dadra and Nagar Haveli.
6. Dy. Chief Controller of Imports and Exports, Ernakulam.	Kerala, Mangalore District of Mysore, and Laccadive, Minicoy and Amnidivi, Islands.
7. Dy. Chief Controller of Imports and Exports, Kanpur.	Uttar Pradesh.
8. Dy. Chief Controller of Imports and Exports, Hyderabad.	Andhra Pradesh.
9. Dy. Chief Controller of Imports and Exports, Ahmedabad.	Gujarat excluding Kandla Free Trade Zone.
10. Controller of Imports and Exports, Srinagar.	Jammu and Kashmir.
11. Controller of Imports and Exports, New Kandla.	In respect of exports from Kandla free Trade Zone.

APPENDIX 4—Contd.

(Para 111 of Chapter V)

ANNEXURE VI

Simplified Form of application for Import of goods against Exports made by Established Registered Manufacturer-Exporters or Merchant-Exporters claiming licences in their own name.

A) *Particulars of the Applicant.*

1. Name of the Applicant . . .

2 Full Postal Address . . . .

(*i*) House/Shop No. . . .

(*ii*) Name of Street/Road . .

(*iii*) Name of locality . . .

(*iv*) Name of State . . .

3. Telegraphic Address . . .

4. Address of location of factory . .

5. Name of the Industry and the purpose for which the raw materials/components are required . . .

6. Description of goods manufactured .

B) *Particulars of Application.*

7. Treasury Receipt No. and date (TR to be attached in original) . .

8. Registration No. allotted to Income-tax Verification Certificate or Exemption therefrom . . . .

9. (*a*) Product-Group to which the exported products belong .

(*b*) FOB Value of exports covered by this application Rs. .

(*c*) Month during which the exports were made . . . .

10 Whether the exports against which the present application is made have been utilised or are intended to be utilised for claiming any import licence by way of barter or for remittance against Capital Goods or in discharge of any export obligation for or obtaining import licence under any other category . .

11 Whether the exports have been made on outright sale basis/consignment/approval basis . . . .

APPENDIX 4—Contd.

ANNEXURE VI—*Contd.*

12. List of items applied for (five copies of the list to be furnished). Separate sets of lists should be furnished for items of tools, jigs and equipments.

Item	Pt. S. No.	Country of import	C.I.F. value

13. C.i.f. value of canalised items, if applied for . . . . . .

14. C.i.f. value of other items, if desired from stocks of STC/MMTC . . .

15. Is a Letter of Authority desired ? If so, name of the firm in whose favour it is desired . . . . . .

16. The Customs House where the Import Licence, if granted, will be registered . . . . .

UNDERTAKING

I/We hereby solemnly undertake :—

(*i*) that no other application for import licence has been made or will be made in future against exports covered by this application;

(*ii*) the consignments/parcels have not been returned. If at any time, the exported goods are returned by the consignee, or if the sale proceeds in respect of the goods, in question, are not realised through an authorised channel within six months from the date of export or such extended period as the Reserve Bank of India may permit, necessary intimation shall be sent to the licensing authority, within one month thereof, and the value of import licences issued against this application shall be liable to be set off against future import licences due to me/us or to my/our nominees, without prejudice to any other action that may be taken in this behalf

(*iii*) if, as a result of a scrutiny by the licensing authority at any time, any excess licensing is found to have been done to me/us or to my/our nominees against this application, the same shall be liable for being adjusted against future licences due to me/us or to my/our nominees under any category, without prejudice to any other action that may be taken in this behalf.

(*iv*) I/We hereby declare that the particulars and statements made in this application are true to the best of my/our knowledge and nothing has been concealed or held therefrom.

(*v*) I/We hereby undertake that any licence granted on the basis of this application shall be liable to cancellation without prejudice to any other action that may be taken in this behalf, if any information furnished in this application is found to be wrong or incorrect or misleading.

Signature.....

Name in Block Letters.....

Designation.....

Date.....

Residential Address .....

APPENDIX 4—Contd.

(Para 116 of Chapter V)

ANNEXURE VI

Application Form for Licence for replenishment of Raw Materials against Export of GEM and Jewellery Items

1. Name of applicant . . . .

   Full Postal Address :—

   (*i*) House/Shop No. . . .
   (*ii*) Name of the Street/Road .
   (*iii*) Name of locality . . .
   (*iv*) Name of State . . .
   (*v*) Telegraphic Address .

2. Registration No. allotted to Income-tax Verification Certificate or exemption therefrom . . . . .

3. No. and Date of Treasury Receipt showing Payment of the requisite fees (Treasury Receipt to be attached).

4. (*a*) Whether the application is preferred on monthly/quarterly basis. . .

   (*b*) The month/quarter for which the application is made . . .

   (*c*) The month/quarter in which payments were received in respect of each consignment . .

5. (*a*) Whether the applicants' name has been registered for any of the Gem and Jewellery items under erstwhile E.P. Scheme or by Gem and Jewellery Council, if so . . .

   (*i*) the authority by whom registration was made . .

   (*ii*) No. and date of certificate of registration (copy to be enclosed). . . . . .

   (*iii*) Date of application for registration . .

   The date on which the last application was submitted preferably with reference number of I.T.C. authority to whom it was made . .

   (*c*) Classification of these items under I.T.C. Schedule . . . .

6. (*a*) Items of exports for which registered

   (*b*) Classification under ITC schedule .

   (*a*) Full description of raw-materials to be imported . . . .

   (*b*) Classification under I.T.C. Schedule Part and Serial No. . . .

   (*c*) Value (C.I.F.) in Rupees . .

   (*d*) Country(ies) of Shipment .

(*e*) Country (ies) of origin . .

(*f*) The Customs House where the import licence, if granted, will be registered . . . . . .

8. Category of Exporter (i.e., Manufacturer or Merchant) . . . .

9. Name and address of the factory where the imported raw material will be fabricated for export . . .

10. Whether applicant has factory of his own or not. If not, what are the standing arrangements with the manufacturers of the products . .

11. Particulars of licences, if any obtained under any other Scheme . . .

12. Information to be furnished in case of application against past exports .

(*a*) Description of goods exported (please furnish Invoices with connected relevant shipping documents, etc.) . . . . .

(*b*) Real value of the goods exported, as declared before the Customs authorities . . . . . .

(*c*) F.O.B. value of payment received during the preceding quarter (in rupees) . . . . . .

(*d*) Bank Certificate (as per proforma enclosed with No., date and the name of the Bank) . . .

(*e*) Whether the exports against which the present application is made have been utilised for claiming any import licences by way of barter or for capital goods or in discharge of any export obligation or for import licence under any other scheme . . . . . .

(*f*) Whether the exports have been made on outright sale/consignment/approval basis :

13. (*a*) Date of establishment of business in India . . . . . .

(*b*) Nature of the concern whether Public or Private Ltd., or Partnership or Proprietory or Hindu Undivided Family concern. . .

(*c*) Names of Directors, Partners, Proprietor or *Karta* as the case may be.

(*d*) Details of branches or associated companies (Names and Locations)

(*i*) In India

(*ii*) Abroad

(e) Have any branches or associated companies mentioned in (d) or any of the gentlemen named in (c) applied for an import licence for import of goods falling under the same serial number or sub-item of serial number for the same period ? If so, give details . . . .

(f) Whether the constitution of the firm has undergone any change after the exports have been effected.

14. Full details of the enclosures attached with the application, (every copy of the document should be marked as a true copy and signed beneath by the applicant) : . . . . .

S.No	Nature of the document.

I/We hereby declare that the above statements are true and correct to the best of my/our knowledge and belief. I/We fully understand that any licence granted to me/us on the basis of the statement furnished is liable to cancellation, in addition to any other penalty that the Government may impose having regard to the circumstances of the case, if it is found that any of the statements or facts therein are incorrect or false.

Signature .....

Name in Block Letters .....

Designation .....

Date .....

Residential Address .....

APPENDIX 4—*Contd.*

(Para 117 of Chapter V) ANNEXURE

VOUCHER OF SALE TO FOREIGN TOURISTS

Sr. No. . . . . .

(*i*) Name and nationality of the tourist to whom the sale is made :

(*ii*) Passport Number of the tourist :

(*iii*) Description of the item(s) sold :

(*iv*) Sale value in foreign exchange and the rupees equivalent :

(*v*) Details of the foreign currency and foreign currency traveller's cheques given by the Tourist :

Signature of the Tourist . . . . Signature of Exporter
Registration Number

Signature and Seal of the Customs . .

Note.—Please read condition on the reverse.

---

(1) Copy to be stitched on the passport . . . . . (White)

(2) Copy to be delivered to the Foreign Tourist . . . . (Green)

(3) Copy to be sent along with import licence application . . (Yellow)

(4) Copy to be retained by the Exporter . . . . . (Pink)

Note.—Articles purchased under this voucher are totally prohibited from being sold, gifted or otherwise disposed of within the territory of India to any person.

APPENDIX 4—*Contd.*

(Para 119—of chapter V) ANNEXURE IX

Form of Application for grant of advance licences for fulfilling specific export orders, by the Registered Exporters

PART I

(TO BE FILLED IN BY THE APPLICANT FOR USE IN LICENSING OFFICE)

A. *Particulars of applicant.*

1. Name of the applicant . . .

2. Full Postal Address :—

   (*i*) House/Shop No. . . .

   (*ii*) Name of Street/Road . .

   (*iii*) Name of locality and city .

   (*iv*) Name of State . . .

3. Telegraphic Address :

4. Name of the Industry :—

   (*i*) Address of location of Factory :

   (*ii*) End Products manufactured therein . . . .

5. Date of establishment of business in India . . . . . .

6. Nature of the concern, whether Public Company or Private Company Partnership or Hindu Undivided Family concern . . . .

7. Names of directors, partners, proprietor or Karta as the case may be.

8. Details of Head Office of the applicant firm and its branches or associated companies (Name & Location)
   (*i*) In India
   (*ii*) Abroad

9. Registration No. allotted to Income Tax Verification Certificate or Exemption therefrom by the Licensing Office . . . . .

10. No. and date of Registration Certificate issued by the concerned Export Promotion Council/Commodity Board, (Photostat copy of the Registration Certificate to be furnished).

ANNEXURE IX *Contd.*

APPENDIX 4—*Contd.*

11. Whether DGTD or SSI Unit.

12. Registration No. alloted to the applicant by the Director General of Technical Development (in the case of firms borne on the list of D. G. T. D.)/State Directorate of Industries (in the case of S.S.I. Units) or any other authority competent to register a unit as a manufacturer.

13. Treasury Receipt No. and date (TreasuryReceipt to be attached in original).

PART II

1. *Particulars of the Export Order & Mode of Payment from abroad.*

(i) Item/Items of Export covered by the Export Order/Orders.

(ii) F. O. B. Value.

(iii) Name of the Foreign Buyers and the country of export.

(iv) Delivery period of export products covered by the export order.

(v) Whether any exports against the exports order in question have already been made, if so, indicate the f. o. b. value thereof.

(vi) (a) Whether the export order is backed by irrevocable L/C, or any advance payment. (Please furnish a photostat copy of the Letter of Credit);

or

(b) Whether the export order is on the basis of different mode of payment like sight Draft D.A.,

or

(c) Whether the applicant has entered into an arrangement whereby he would make the payment of the import material out of export earnings of the product to be exported;

or

(d) Whether the foreign buyers have agreed to supply the imported materials free of charge on the condition that the same will be re-exported after processing & finishing.

2. (i) Whether the product to be exported is covered by the list of Priority Industries.

(ii) If so, whether the goods covered by the export order cannot be manufactured out of applicant's A.U./Quota Licence.

ANNEXURE IX *Contd.*

APPENDIX 4—*Contd.*

(*iii*) Full details of A.U./Quota licence/ or any other licence issued for the manufacture of finished products during the last three periods* (*Licences issued under credits/ AID Loans and Rupee Sources or sepcial licences may also be mentioned).

Licensing Period & L/A	No. & Date and value of Licences.	Value (C.I.F. of goods imported)	Description of goods	Balance un-utilised

(iv) Whether the products to be exported are covered by the Import Policy for Registered Exporters. (Please give the reference No. of the export products as indicated in the Red Book.)

(v) Import replenishment percentage admissible under the REP against the export order.

3. *Particulars regarding value of Licence applied for and previous advance licences.*

(i) c.i.f. value of the licence applied for.

(ii) Description of the materials sought to be imported. (Please indicate the complete description, quantity and c.i.f. value of each item desired to be imported, with S. No. and Part No. of I.T. C. classification in respect of each item.)

(iii) Past export performance in respect of the export product(s) covered by the export order. (Furnish a statement of exports made during the last 3 years, indicating the f. o. b. Value and country of exports).

(iv) Was any advance licence issued in the past?

(v) If so, whether the export obligation against the licences is still outstanding.

(vi) If the export obligation, either in part or in full, remains to be completed, please give the particulars of the same as under:—

(a) Licence No. and date.

(b) Name of the licence issuing authority.

APPENDIX 4—*Contd.*

ANNEXURE IX—*Contd.*

(c) Licence-wise value of the export obligations fixed.

(d) Time-limit allowed for fulfilling the export obligation.

(e) Value of the export obligation already fulfilled against each licence.

(f) Reasons for not fulfilling the export obligation.

(g) List of documents enclosed.

DECLARATION

1. I/We hereby declare that if this licence is granted, the goods will be utilised only for consumption as raw materials/components or accessories in our factory and that no portion thereof will be sold to or permitted to be used by any other party.

2. We hereby declare that the above statements are true and correct to the best of my/our knowledge and belief. I/We fully understand that any licence granted to me/us on the basis of the statement furnished is liable to cancellation, in addition to any other penalty that the Government may impose or any other action that may be taken having regard to the circumstances of the case if it is found that any of the statements of facts therein are incorrect or false.

Signature_____

Name in Block Letters_____

Designation_____

Residential Address_____

Date_____

APPENDIX 4—*Contd.*

(Para 125 of chapter V)

ANNEXURE X

FORM OF APPLICATION FOR AD HOC LICENCES TO TECHNICAL CONSULTANCY FIRMS

1. Name of the applicant . . .
2. Full Postal Address . . . .
   (*i*) House/Shop No. . . .
   (*ii*) Name of Street/Road . .
   (*iii*) Name of Locality & city . .
   (*iv*) Name of State. . . .
3. Telegraphic Address . . . .
4. Date of establishment of business in India.
5. Nature of the concern, whether Public Company or Private Company, Partnership or Hindu Undivided family concern.
6. Name of Directors, Partners, Proprietors or Karta as the case may be.
7. Details of Head Office of the applicant firm and its branches or associated companies (Name and location).
   (*i*) In India . . . . .
   (*ii*) Abroad . . . .
8. Registration No. allotted to Income Tax Verification Certificate or exemption therefrom.
9. Treasury Receipt No. and date (Treasury Receipt to be attached in original).
10. C.I.F. value in rupees of the licence(s) applied for.
11. Details of foreign exchange earned during the previous financial year, April—March, on technical consultancy services rendered to clients abroad, (Foreign exchange earned against exports of goods should be excluded. Full details of foreign exchange earning through technical consultancy services, should be furnished, in a separate sheet, item by item. The statement should be supported and the amount of foreign exchange earned certified by the Bank through which such earnings were received into this country).

APPENDIX 4—*Contd.*

ANNEXURE X—*Contd.*

12. List of items applied for, (Five copies of the list to be furnished)—Seperate sets of lists should be furnished for (*i*) items licensable by the Iron and Steel Control licensing authorities (*ii*) items sought to be imported from Rupee Payment Area.

13. Is a letter of authority desired? If so, name of the firm in whose favour it is desired.

14. The Customs House where the import licence, if granted, will be registered.

We hereby declare—(*i*) that no other application for import lic ence has been made or will be made in future to the licensing authority, during the current li censing year; (*ii*) the statements made in this application are true and correct to the best of our knowledge and belief; (*iii*) if the licence is granted the goods will be utilised only in our office and no portion thereof will be sold or permitted to be used by any other party.

We fully understand that any licence granted to us on the basis of this application is liable to cancellation, in addition to any other penalty that the Government may impose or any other action that may be taken having regard to the circumstances of the case, if it is found that any of the statements of facts therein are incorrect or false.

Signature.....

Name in Block Letter.....

Designation.....

Residential Address.....

Date.....

APPENDIX—4—*Contd.*

ANNEXURE XI

(Para 126 of chapter V)

Particulars of Machinery items required to be imported

S. No.	Name & address of the manufacturer with SSI/DGTD Registration No.	Description of machinery & ITC S. No. (catalogue, descriptive literature & proforma invoice to be enclosed).	C.I.F. value Rs.	Country of import.	End use or purpose for which required.	Product exported & value of replenishment licence admissible.	Remarks

APPENDIX 4—*Contd.*

(Para 114 of chapter V) ANNEXURE XII

BANK'S CERTIFICATE OF PAYMENTS

This is to certify that the following bills covering exports of.....to foreign countries drawn by M/s.....have been negotiated and proceeds as given below received by us as per exchange control regulations in the approved manner. We also certify that payments thereof have not been received in non-convertible Rupee Account or under any special bilateral trade agreement.

S. No.	Invoice No. & date	Date of Exports	Description of goods exported	Bill of Lading, Postal Receipt and/or Airway Bill No. and date	F. O. B. value of goods as declared by the Exporters	Country/ Countries to which exports have been made	Date** on which payment was received by the Bank	Date on which the proceeds of foreign exchange were actually credited to the exporter's account	In case of part payments of the Bill, the lot No. of the Invoice against which payments have been received	Amount received in India (in rupees)	GRI/ PP Form No. and date
1	2	3	4	5	6	7	8	9	10	11	12

Signature of Manager/Authorised Officer of the Bank
Official Stamp

NOTES. (1) The Bank Certificate should be on the Bank's letter head and should bear the Official Stamp of the Bank.

(2) This certificate will be issued only after the full proceeds of the Bill have been realised. However, in case of receipt of part payments of a Bill, against specific lots covered by it, the certificate may be issued.

**Date of advice of payment of the collecting/remitting Bank abroad.

APPENDIX 4—*Contd.*

(Para 127 of chapter V)

ANNEXURE XIII

Office of the.....

Proforma to be filled by the Sponsoring Authorities in respect of Additional items recommended under the provision of Section I of Volume II of the Import Trade control Policy Book for April 1970-March 1971.

1. Name of the Registered Exporter (Merchant-Exporter or Manufacturer Exporter) . . . .

2. In case of nomination, name of the nominee-manufacturer . . .

3. Description of the Export Product or sub-group product or part, component, material for which he has been nominated . . . .

4. C. I. F. value of the licence claimed or issued . . .

5. Items recommended for import :

	Description of Goods	ITC Serial/ Sub-serial No.	Face Value/quantitative restrictions, if any.
(1)			
(2)			
(3)			
(4)			

(a) Items indicated at S. No. (s).....are required for manufacture of the exported product;

(*b*) Items indicated at S. No. (s)..... are required for manufacture of the part, component or material used in the manufacture of the exported product for which he has been nominated.

(*c*) Items indicated at S. No. (s).....are required in the process of manufacture of the exported product.

(*d*) Items indicated at S. No. (s)..... are required for use as a packing material for the exported product;

(*e*) Items indicated at S. No. (s)....are required for manufacture of tools required in the process of manufacture of the exported product

(Strike out whatever is not applicable)

This is to further certify :

(*i*) that the items are permissible to the Actual users under the current Import Policy in Volume I.

(*ii*) that the items are permissible to the Actual users on a restricted basis, under the current Import Policy in Volume I.

(*iii*) that the items are permissible to the Actual user for Export Production only under the current Import Policy in Volume I.

ANNEXURE XIII *Contd.*

APPENDIX 4—*Contd.*

(Strike out whatever is not applicable).

Essentiality of the items is also certified and there is no objection to their import from indigenous angle.

Signatures

Name (In Block Letters)

Designation

Office

No.————————

Date————————

Place————————

APPENDIX 4—*Contd.*

ANNEXURE XIV

(Para.....114.....of Chapter V)

Bank Certificate of payment against sale of Carpets to Foreign Tourists

This is to certify that the payment against the following bills covering f.o.b. value of carpets made by M/S..... to the foreign tourist has been received by us as per exchange control regulations in the approved manner. We also certify that payment thereof has not been received in Non-convertible Rupee Account or under any bilateral trade agreement.

Sl. No.	Invoice No. & date.	Date of Exports.	Description of goods exported.	Bill of Lading, Postal receipt and/or Airway Bill No. & date.	F.O.B. value of goods as declared by the Exporters.	Date on which payment was received by the Bank.	Amount received in India (in rupees).	GRI/PP Form No. & date.
1	2	3	4	5	6	7	8	9

Signature of Manager/Authorised Officer
of the Bank with Official Stamp.

NOTE—The Bank Certificate should be on the Bank's letter head and should bear the official Stamp of the Bank.

APPENDIX 4—*Contd.*

(Para 117 of chapter V) ANNEXURE XV

Statement indicating the replenishment particulars against sales of gem and jewellery items to foreign tourists

Serial No.	Item of sale	Percenatage of import replenishment in terms of net realisation of foreign exchange	Particulars of items permitted for import	Remarks
1	2	3	4	5
1	Drilled, bleached/unbleached processed/unprocessed or polished pearls (real or cultured)	50%	Rough diamonds, uncut, and unset, precious or semi-precious stones, uncut and unset, pearls real or cultured, rough synthetic stones (other than red or white variety), other imitation stones.	1. Within the overall replenishment percentage mentioned in column 3, 10% of entitlement be utilised for import of permissible machinery, equipment, testing apparatus, tools and implements for actual use as required by gem and jewellery industry and as permissible to actual users and subject to essentiality certificate from competent authority.
2	Cut or polished diamonds			
3	Cut or polished precious or semi-precious stones			
4	Gold, platinum, palladium, silver-jewellery studded with precious and semi-precious stones, diamonds, real or cultured pearls.			2. The value of the base metal *e.g.*, gold, silver, platinum and palladium, will be excluded in computation of value for replenishment.
5	Imitation Jewellery, all jewellery of gold, platinum, palladium and silver studded with glass beads, false pearls, imitation and synthetic stones.	33-1/3%	Glass beads, false pearls, rough synthetic stones other than red or white.	3. Upto 1% of the entitlement may be utilised for import of samples, illustrated catalogues, pictures, albums and mailing lists.

(APPENDIX 4—*Contd.*)

ANNEXURE XV—*Contd.*

1	2	3	4	5
6	Cut or polished synthetic stones	25%	Rough synthetic stones	4. The import of any one of the items *viz.*, diamonds, precious stones, pearls, synthetic stones, and imitation stones should not exceed half of the total entitlement in respect of those items where total entitlement is of the level of 50%. 5. The sale of gold jewellery will be subject to such general or special restrictions as are imposed by the Gold Control Administration and the Reserve Bank of India. 6. In the case of jewellery, in which there is an admixture of precious and semi-precious stones with any other variety of glass, imitation or synthetic stones, the import replenishment will be 33-1/3% and the items permitted will be as for imitation jewellery.

APPENDIX 4—*Contd.*

Para 121 of Chapter V

ANNEXURE XVI

Form of application for "on Account" licences

Licensing period.....

(A) Particulars of the Applicant.

1. Name of the Applicant . . .

2. Full Postal Address . . .
   (i) House/ Shop No. . . .
   (ii) Name of Street/Road . .
   (iii) Name of locality . . .
   (iv) Name of State . . . .

3. Telegraphic Address . . . .

4. Address of location of factory . .

5. Name of the Industry and the purpose for which the raw materials/components are required . . . . .

6. Description of goods manufactured .

(B) Particulars of Application . . .

7. Treasury Receipt No. and date . . (TR to be attached in original)

8. Registration No. allotted to Income-tax Verification Certificate or Exemption therefrom. . . . . .

9. F.O.B. value of exports made by the applicant in the preceding year in respect of export products in the specified product groups as per relevant policy (Attach statement as required as per relevant policy) . . . . . .

10. C.I.F. value of import licences received by the applicant under the import policy for Registered Exporters during the preceding year whether as a manufacturer exporter, or as a nominee-manufacturer, against exports of products falling in specified product groups as per relevant policy (Attach statement as required as per relevant policy) . . . . .

11. List of items applied for import (6 copies of the list to be furnished) . . .

12.(*a*) Total clf. value applied for . .
(*b*) C.I.F. value of canalised items if applied for (Indicate value separately for for each item) . . . . .

13. Is a Letter of Authority desired? If so, name of the firm in whose favour it is desired . . . . . .

14. The Custom House where the import licence, if granted, will be registered . .

APPENDIX 4—*Contd.*

DECLARATION

ANNEXURE XVI—*Contd.*

I/We hereby declare that the particulars and statements made in this application are true to the best of my/our knowledge and nothing has been concealed or held thereform.

I/We hereby undertake that any licence granted on the basis of this application shall be liable to cancellation without prejudice to any other action that may be taken in this behalf, if any information furnished in this application is found to be wrong or incorrect or misleading.

Signature.....

Name in Block Letters.....

Designation.....

Residential address.....

Dated.....

APPENDIX-4—*Contd.*

(Para 123 of chapter V)

ANNEXURE XVII

PROFORMA OF ABSTRACT OF THE EXPORT CONTRACT

1. Name of the Registered Exporter

2. Registration No & date issued by the Export Promotion Council/ Commodity Board . . . .

Overseas buyer's name with whom contract has been executed	Description of product(s) to be exported	Value of each product(s) to be exported	Details of delivery periods	Terms of payment	Date of contract
1	2	3	4	5	6

Signature and stamp of the Constituted Attorney of the registered exporter.

APPENDIX 4—*Contd.*

(Para 114 of Chapter V)

ANNEXURE XVIII

SALE TO FOREIGN TOURISTS OF HANDICRAFT ITEMS :

Registered Exporter (dealer) who has been authorised by the Reserve Bank of India to receive payment in foreign exchange against sales made by him to the foreign tourists will be eligible to apply for grant of replenishment licence against sale of handicraft items falling under Product Group "H"- Handicrafts" in Section II of Volume II of I. T. C. policy for 1970-71 made to foreign tourists against (i) foreign currrency travellers' cheques, (ii) crossed foreign bank drafts, and (iii) personal cheques drawn on foreign banks.

2. In respect of the sale of handicraft items to foreign tourists in India, following procedure is to be adopted by the authorised registered exporter (dealer) :—

(*a*) Registered and authorised dealer will be required to maintain printed, serially numbered voucher books. A specimen voucher is at Annexure XIX of this Appendix;

(*b*) Each sale voucher will be in triplicate, showing details regarding the name and nationality of the tourists, his/her passport number, description of handicraft items sold, the sale value in foreign exchange and the rupee equivalent details thereof;

(*c*) The original sale voucher will be handed over to the tourist for his own use;

(*d*) The duplicate copy of the voucher will be sent by the dealer along with the application for replenishment licence at the time of its submission; and

(*e*) The triplicate copy will be retained by the dealer for his record.

3. The authorised dealer will be required to maintain a register containing the following particulars :—

(*i*) Serial No. :

(*ii*) Number of the sale voucher:

(*iii*) Date of sale:

(*iv*) Name of the foreign purchaser :

(*v*) His/Her passport Number :

(*vi*) Description of the item sold and the material of which made:

(*vii*) Value in rupees ;

(*viii*) Equivalent foreign exchange rendered:

(*ix*) Name of the bank in which foreign currency travellers' cheques/ crossed foreign bank drafts/personal cheques deposited:

(*x*) Date of deposit; and

(*xi*) Remarks.

This register will be open to check by government.

4. Applications for replenishment licences against such sales will be made to the licensing authorities under whose jurisdiction the registered office of the applicant is situated. Applications will be made in the same form as is applicable in the case of other registered exporters. Such applications should be made in respect of sales made during a month/ quarter and should reach the licensing authorities within a period of two months succeeding the month/quarter during which sales were made. The applications should be accompanied by the following documents :—

(*i*) T. R. for Rs. 50/-;

(*ii*) Certified true copies of sale vouchers/cash memos, giving details of (a) name and nationality of the tourist, (b) passport number of the tourist, (c) details of travellers' cheques/crossed foreign bank drafts/personal cheques drawn on foreign banks, (d) detailed description of the articles sold, specifiying material of which they are made *i.e.* Ivory, Brass Asbestos etc. and (e) value of each article;

APPENDIX 4—*Contd.*

ANNEXURE XVIII—*Contd.*

(*iii*) Bank certificates including the number and date of the relevant sale voucher/ cash memo, and showing receipt and surrender to the Indian Exchange Control of the relevant foreign currency travellers' cheques/crossed foreign bank drafts/ personal cheques drawn on foreign banks, (In the case of personal cheques on foreign banks, the bank should also certify that the proceeds of the cheques have been realised in foreign exchange as per the Exchange Control Regulations); and

(*iv*) A statement of the exports giving details of sale voucher/cash memo, its number and date, description of the articles sold, specifying the material of which they are made e.g. Ivory, Brass, Asbestos, the value in rupees of foreign exchange surrendered, the date of surrendering of travellers' cheques/foreign bank drafts/personal cheques and the date of realisation of foreign exchange in the case of personal cheques, as per specimen proforma at Annexure XX of this Appendix.

APPENDIX 4—*Contd.*

ANNEXURE XIX

VOUCHER OF SALE TO FOREIGN TOURISTS

Sr No.....

(*i*) Name and nationality of the tourist to whom the sale is made . .

(*ii*) Passport Number of the tourist .

(*iii*) Description of the item(s) sold (specifying material of which they are made) . .

(*iv*) Sale value in foreign exchange and the rupee equivalent: .

(*v*) Details of the foreign currency and foreign currency travellers' cheques given by the tourist

Signature of the tourist | *Signature of Exporter Registration Number*

NOTE —Please read condition on the reverse.

(1) Copy to be delivered to the foreign tourist (White)

(2) Copy to be sent along with import licence application (Yellow)

(3) Copy to be retained by the dealer (Pink)

APPENDIX 4—*Concluded.*

ANNEXURE XX

Name and address of the firm

Statement showing particulars of tourist sales effected during the period.....against which import licence is being claimed

S. No.	Product sold to tourists/indicate main group of handicrafts. The application should cover products only in one group *e.g.* H. 1 etc.	No. and date of sale voucher/cash memo/order.	Description of products sold	F.O.B. value in rupees of the item sold for which replenishment is claimed.	Rupee equivalent of the foreign exchange realized in respect of the items on which replenishment is being claimed here (figures from B/C).	F.O.B. value on which entitlement is being claimed (This should be lesser of the two values shown in columns 5 & 6.)	Remarks
1	2	3	4	5	6	7	8

N.B.—(1) Values in column 7 should be totalled.

(2) This statement of particulars should be signed by the applicant signing the application form.

APPENDIX 5

(Vide para. 13 of Chapter II)

Subject :—Registration scheme—Principles governing allotment of I.V.C. numbers.

The following decisions taken by the Government of India in connection with the production of Income-tax Verification Certificates and the allotment of Registration Numbers and the procedure to be adopted for applying for exemption from the production of such certificates are hereby published for general information.

2. The allotment of both Income-tax Verification Registration Numbers and Exemption Numbers will only be done by the following authorities whose jurisdiction is shown in Annexure III :—

1. Joint Chief Controller of Imports and Exports, 4, Esplanade East, Calcutta.
2. Joint Chief Controller of Imports and Exports, Central Govt. Offices, New Building, S.E. Wing, New Marine Lines, Church Gate, Bombay.
3. Joint Chief Controller of Imports and Exports, Custom House, Madras.
4. Joint Chief Controller of Imports and Exports, Central Licensing Area, Indraprastha Bhavan, 'A' Wing, New Delhi.
5. Deputy Chief Controller of Imports and Exports, Panjim, (GOA).
6. Deputy Chief Controller of Imports and Exports, Kanpur.
7. Deputy Chief Controller of Imports and Exports, Ernakulam.
8. Deputy Chief Controller of Imports and Exports, Hyderabad.
9. Deputy Chief Controller of Imports and Exports, Ahmedabad.
10. Controller of Imports and Exports, Srinagar/Jammu.
11. Controller of Imports and Exports, Rajkot.
12. Controller of Imports and Exports, Visakhapatnam.
13. Controller of Imports and Exports, Bangalore.
14. Controller of Imports and Exports, Pondicherry.
15. Controller of Imports and Exports, Amritsar.
16. Controller of Imports and Exports, Shillong.
17. Controller of Imports and Exports, New Kandla.

3. The prospective applicants for import licences except those mentioned in paragraphs 6 and 14 below should make an application in the form prescribed in Annexure I to this Appendix and present it in duplicate to the proper Income-tax authority (specified in paragraph 4 below) who will then verify the particulars from their records, subscribe the necessary verification certificates on one copy and return it to the applicant so as to enable him to forward the same to one of the officers referred to in the preceding paragraph. The applicant should note that each page of the Income-tax Assessment Certificate should bear the seal and signature of the Income-tax Officer concerned. If is not necessary to obtain a separate number

APPENDIX 5—contd.

from each licensing authority as for instance, a Registration Number allotted by the Joint Chief Controller of Imports and Exports, Calcutta will be held valid by the Joint Chief Controller of Imports and Exports, Bombay and *vice versa* and so on. Applicants should quote the I.V.C. Registration number, if any, allotted to them by the Import Trade Control Authorities during the last two annual licensing periods.

4. The proper income-tax authorities for the purpose will be the Income-tax Officer of the Circle, Ward or District where the applicant is assessed or is assessable to income-tax. The certificate may also be issued in Bombay and Calcutta by the Headquarters Assistant Commissioners of Income-tax and in Madras and Delhi by the Inspecting Assistant Commissioner of Income-tax.

5. The Registration Number allotted against a complete Income-tax Verification Certificate will be valid for the financial year in which the certificate is issued and for the subsequent two financial years. For instance, on an Income-tax Officer's certificate issued during the period from April 1968 to March 1969, a Registration Number allotted would be valid for the financial years April 1968—March 1969, April 1969—March 1970 and April 1970—March 1971. For this purpose, a distinct symbol is given on the Registration Numbers which shows the month as well as the year when its validity expires. It would be in the interest of applicants if Income-tax Verification Numbers are duly obtained by them well in advance of the expiry of the old number. However, in cases of genuine difficulty, the licensing authority may grant a licence even after the expiry of the validity of the I.V.C. no. subject to the condition that the applicant shall produce the valid I.V.C. no. before the end of the licensing period. This concession will be available only for one licensing period.

6. Such Government or Semi-Government institutions as are not liable to income-tax need not apply for either the Registration or Exemption Number and may submit applications for licences without quoting either number.

7. The following classes of applicants are required to obtain exemption numbers and should apply in the prescribed form given in Annexure I to the proper authority as prescribed in Annexure III :—

(i) Applicants who had no taxable income during any of the previous five years; and

(ii) Those who are not liable to tax under sections 10 to 13 of the Income-tax Act, 1961,

(iii) Co-operative Societies which are not liable to tax under section 81 of the Income-tax Act, 1961.

8. (a) (1) Applicants whose cases are governed by paragraph 7 above, will be required to declare on a stamped affidavit to the form given in Annexure II, before a Magistrate or an Oath Commissioner, Notary Public or an Assistant Registrar of High Court the fact that they had no income in the past five years liable to tax giving the reasons therefor, or that they are exempt from payment of tax under Sections 10 to 13 of the Income-tax Act, 1961 or they are co-operative societies which are not liable to tax under

APPENDIX 5—contd.

Section 81 of the Income-tax Act, 1961 as the case may be, and present such affidavits along with the application (Annexure I) in duplicate and such other documents as have been prescribed to the Income-tax Officer concerned. The Income-tax Officer will after satisfying himself of the correctness of the facts stated in the affidavit endorse the appropriate certificates on the application and return the original application except the duplicate. All other documents, the affidavits and the duplicate copies of the enclosures mentioned in item 9 of Annexure I will be retained by the Income-tax Officer. The deponent will there-upon present the application along with the other prescribed accompaniments to the allotting authority concerned.

(2) Where, however, an applicant who is (would have been) liable to tax in the status of an individual or Hindu Undivided Family, has been submitting regularly during the past five years, his returns of total income to the Income-tax Officer concerned, but no tax was levied as the income was below taxable limit, he need not file any affidavit.

8. (b) Where in cases falling under paragraph 7, the applicant is a "Private Limited Company", "Public Limited Company", "Partnership Concern", "Proprietory Concern", "Association of Persons", the applications for exemption numbers should be accompanied by the following documents :—

(i) Private Limited Companies—IVC/affidavit only from Directors/Shareholders who hold more than 10 per cent of the shares of the company or the value of whose holding is Rs. 10,000 or above, about their income from all sources for the past five years.

(ii) Public Limited Companies—Incorporation Certificate to prove that this is a Public Limited Company.

(iii) Partnership Concerns and Association of Persons (other than Co-operative Societies)—Income-tax Verification Certificates or affidavits of all partners/members of Association of Persons about their income from all sources for the last five years.

(iv) Proprietory Concerns—Income-tax Verification Certificate or Affidavit of the proprietor about his income from all sources for the past five years. (No affidavit need be filed in respect of cases covered by paragraph 8(a) (2).

(v) Co-operative Societies—Registration Certificate from Registrar of Co-operative Societies to prove that this is a co-operative society.

9. In the case of applicants falling under paragraph 7, the authorities mentioned in paragraph 2 above, will, on production of the application (Annexure I) duly completed, allot an Exemption Number.

10. In the case of displaced persons who have been forced to migrate to India from Pakistan and have not completed one calendar year of their residence in India, it would not be necessary to produce the usual affidavit on a stamped paper to the Income-tax Officers. Such persons will instead produce the Refugee Registration Card or the Camp Commandant Certificate before the Income-tax Officer concerned along with the application (in duplicate) in the prescribed form (Annexure I). The Income-tax Officer

APPENDIX 5—contd.

will dispense with the production of affidavit and after entering such application in his register, will endorse on the original a certificate in the usual form incorporating these facts. The original will be returned to the applicant and the duplicate retained by the Income-tax Officer. On presentation of such a completed document, the authority concerned would allot an Exemption Number.

11. The period of validity of Exemption Numbers will be calculated on the same basis as is laid down in respect of Income-tax Registration Numbers, vide paragraph 5 above.

12. All applicants for import licences should get the Registration Numbers (which include Exemption Number also) and quote them in the relevant column of their applications for import licences except as hereinafter provided.

13. In the case of applications for import licences, the production of Exemption or Registration Numbers has been dispensed with in the following cases :—

(i) Import of personal belongings of small value.

(ii) Unsolicited gifts of small values where no exchange remittances are involved.

(iii) Goods required for actual use in educational or charitable institutions which are exempted from payment of Income-tax.

14. *Foreign Nationals.*—(a) Applicants who are nationals of Tibet, Nepal or any other adjoining foreign territory are not required to quote any Registration/Exemption Number provided they do not conduct their business in India and the goods imported will be in transit only to the territory where the applicants reside.

(b) Applicants from foreign territories who are conducting their business in India and also those Indians who are conducting business in Nepal, Tibet or in any other adjoining foreign territory besides business in India will be required to produce Income-tax Verification Certificate etc., like other applicants.

(c) Other applicants who claim that they have no office or branch in India should furnish an affidavit to the effect that their firm is constituted of non-Indian nationals only.

ANNEXURE I

Form of Certificate of Income-tax Assessment to be produced by an Applicant for Import Licence

1. (a) Trade name and address of the assessee (in case of Registration Numbers) the applicant (in case of Exemption Numbers).

(b) Names of branches if any of 1(a) with their addresses.

2. Name and address of the person making this application and the interest he has in 1 above.

3. Year in which the business was established.

4. Status for purpose of Income-Tax assessment :—

(i) Individual.

APPENDIX 5—contd.

(ii) Hindu Undivided Family.
(iii) Company.
(iv) Firm.
(v) Association of persons.

5. The Income-tax Circle/Ward/District in which the applicant is assessed to Income-tax.

6. Line or Lines in which the applicant is doing business (by major heads).

7. Reference no. (of G.I.R.) of the assessment.

8. (a) Where maximum income-tax paid during any one of the past five years was :—

(a) Upto Rs. 100.
(b) From Rs. 101 to Rs. 249.
(c) From Rs. 250 to Rs. 499.
(d) From Rs. 500 to Rs. 999.
(e) From Rs. 1,000 to Rs. 4,999.
(f) From Rs. 5,000 to Rs. 9,999.
(g) From Rs. 10,000 and above.

Note.—The above entries may be completed also in the case of firms registered under the "Income-tax Act, 1961" with reference to the tax that would be payable if assessed as an unregistered firm.

(b) In case no final assessment has been made it should be stated whether tax paid in advance (or payable) on the basis of return filed under sections 139(1), (2), 141 and 212(3) of the Income-tax Act, 1961 was :—

(a) Upto Rs. 100.
(b) From Rs. 101 to Rs. 249.
(c) From Rs. 250 to Rs. 499.
(d) From Rs. 500 to Rs. 999.
(e) From Rs. 1,000 to Rs. 4,999.
(f) From Rs. 5,000 to Rs. 9,999.
(g) From Rs. 10,000 and above.

Note.—The above entries may be completed also in the case of firms registered under the "Income-tax Act, 1961" with reference to the tax that would be payable if assessed as an unregistered firm.

9. Please attach a list of :—

(a) Partners with their addresses, if the concern is a firm.
(b) Persons with their addresses, if the concern is an association.
(c) Adult male members, if it is a family concern.

APPENDIX 5—contd.

(d) In case of Private Limited Companies, the names of all shareholders including the directors with their addresses.

(e) in case of Public Limited concerns, certificate of incorporation to prove that the firm is a Public Limited Company.

(f) Registration certificate from the Registrar of Co-operative Societies to prove that this is a co-operative society.

10. State the I.V.C. Registration/Exemption number allotted to the applicant by the I.T.C. [illegible] :—

(i) during the last two licensing periods; and

(ii) during the current licensing period (in case one has already been allotted).

11. Number and date of the application, if any, already made to the licensing authority for the allotment of I.V.C. number during the current period.

12. I declare that the above mentioned information is correct and complete to the best of my information and belief.

Signature of the applicant/
his authorised agent.

(1) Name in block letters.....

(2) Full residential address..... .....

.....

(To be filled by the Income-tax Officer.)

1. This is a case for allotment of Registration Number. I hereby certify that—

A. (i) The assessee Shri/M/s.....has furnished complete verification about all companies in which he is substantially interested and the firms and association of persons in which he is a partner or a member respectively;

(ii) the returns of income due from the said assessee have been filed;

(iii) the said assessee has paid all tax demands due other than those which have been stayed by competent authority;

(iv) the said assessee has been co-operating with the Department in facilitating the completion of the pending assessments.

B. (i) There is no information before me that the companies in which the said assessee is substantially interested and the firms and association of persons in which he is a partner or member, respectively, are deliberately not filing in the returns or not paying the tax demands or not co-operating with the Department in facilitating the completion of the pending assessments.

(ii) There is no information before me that persons having a substantial interest in the applicant company/being members of the applicant association/being partners of the applicant firm are deliberately not filing their returns of income or not paying their tax demands or not co-operating in facilitating the completion of the pending assessments.

APPENDIX 5—contd.

The certificate is valid for one year from the date of issue.

2. This is a case for allotment of Exemption Number.

*(i) The partners of the firm/members of the association of persons (other than co-operative societies) are either regular tax payers or have filed the prescribed affidavits, the facts stated in which have been verified.

*(ii) The Directors of ..... which is a Private Limited Company are either regular tax payers or have filed the prescribed affidavits, the facts stated in which have been verified.

*(iii) M/s..... which is a Public Limited Company have filed the incorporation certificate to prove that it is a public limited company.

*(iv) Shri.....of..... ... (which is a proprietary concern) is either a regular tax payer or has filed an affidavit in the prescribed form the facts stated in which have been verified.

£*(v) Refugee Registration Card or Camp Commandant's certificate has been examined and duly endorsed by me.

*(vi) Shri..... has been submitting his income-tax returns for the past five years in the status of an individual/HUF but no tax was levied as the income was below taxable limit.

*(vii) ..... which is a co-operative society has
(Name of the Society)
filed the Registration Certificate from the Registrar of Co-operative Societies to prove that this a co-operative society.

(*) Strike out those not applicable.

(£) Applicable to those displaced individuals or firms who have entered India within one year from the date of this application.

The case has been entered in our registers and I have no objection to an Exemption Number being allotted in this case for a period of one year from this date.

(Signature of the Income-tax Officer)
Circle/Ward/District
SEAL

ANNEXURE II

Affidavits necessary to be produced by class of applicants falling under paragraph 7 above should contain *inter alia* the following declaration signed by the proprietor, the partners of the firms, members of the H.U.F. or Association or Directors in the case of a Private Limited Company applying for the allotment of Exemption Numbers. The person/persons signing the affidavit should also give their name(s) (in block letters) and full residential address(es).

APPENDIX 5—*concld.*

"I/We, Proprietor/Partners/Directors/Members of family of association of M/s..... hereby solemnly declare that I/We have no place of income outside India and that my/our income from all sources during the past five years has been below the taxable limit or my/our main source of income during the past five years has been from agriculture which is exempted from payment of tax under section 10 of the Income-Tax Act, 1961. I/We have had no income from any other source liable to be taxed under the said Act."

ANNEXURE III

Area where these Income-tax Officers granting the Income-tax Assessment certificates are stationed	Authority to whom application for allotment of number should be made.
1. Delhi, Rajasthan, Himachal Pradesh, Chandigarh and Haryana.	Joint Chief Controller of Imports (Central Licensing Area), Indraprastha Bhavan, 'A' Wing, New Delhi.
2. Uttar Pradesh	Deputy Chief Controller of Imports and Exports, 7/194, Swaroop Nagar, Kanpur-3.
3. Jammu and Kashmir	Controller of Imports and Exports, Srinagar/Jammu.
4. Bihar, Orissa, West Bengal, Tripura, Andaman and Nicobar Islands	Joint Chief Controller of Import and Exports, 4, Esplanade East, Calcutta.
5. Maharashtra and Madhya Pradesh .	Joint Chief Controller Import and Exports, Central Govt. Offices, New Building S.E. wing, New Marine Lines, Church Gate, Bombay.
6. Districts of the State of Gujarat, which were formerly known as "Saurashtra".	Controller of Imports and Exports, Rajkot.
7. Tamil Nadu	Joint Chief Controller of Imports and Exports, Madras.
8. Kerala State and Laccadive, Minicoy and Amindivi Islands . . .	Deputy Chief Controller of Imports and Exports, Ernakulam.
9. Andhra Pradesh (only districts of Godavari East and West, Srikakulam and Visakhapatnam.)	Controller of Imports and Exports, Visakhapatnam.
10. Assam, Manipur and Nagaland NEFA.	Controller of Imports and Exports, Shillong.
11. Goa, Daman & Diu and Dadra and Nagar Haveli.	Deputy Chief Controller of Imports and Exports, Panjim (Goa).
12. Mysore State	Controller of Imports and Exports, Bangalore.
13. Pondicherry, Kariakal, Mahe and Yaman	Controller of Imports and Exports, Pondicherry.
14. Districts of the State of Gujarat which were formerly known as Kutch including New Kandla Free Trade Zone but excluding all areas in Saurashtra.	Controller of Imports and Exports, New Kandla.
15. Andhra Pradesh excluding the four districts namely Godavari East and West, Srikakulam and Visakhapatnam.	Deputy Chief Controller of Imports and Exports, Hyderabad.
16. Gujarat State excluding those districts of old Bombay State which were formerly known as Saurashtra and Kutch.	Deputy Chief Controller of Imports and Exports, Ahmedabad.
17. Punjab	Controller of Imports and Exports, Amritsar.

APPENDIX 6

(*Vide* para 22 of Chapter II)

List of IDA industries

A. *Materials, Components and Spare Parts for industries manufacturing—*

(1) Commercial vehicles for civilian market (including jeeps, three wheelers, auto-rickshaws and four wheelers).

(2) Agricultural tractors.

(3) Automotive components (including tyres and tubes, storage batteries and automobile leaf springs).

(4) Machine tools and accessories; Plastic working machinery.

(5) Cutting and small tools (including coated abrasives and grinding wheels).

(6) Electrical equipment (Motors, transformers, switch-gear, generators AC/DC, ancillaries including stampings and laminations, power capacitors, rectifiers and relays).

(7) Cables and wires.

(8) Industrial and mining machinery (Boilers, conveyors, drilling equipment, reduction gear, gas cylinder, printing machinery, tea machinery, metallurgical machinery, paper machinery, chemical machinery, RDF machinery, dairy machinery, ceramic machinery, oil mill machinery, weighing machines, textile machinery, jute machinery, sugar machinery, cement machinery, coal mining machinery, furnaces, wire working machinery and industrial machinery unclassified).

(9) Ball and roller bearings.

(10) Fertilizers and pesticides.

(11) Basic non-ferrous metals (aluminium, copper, lead and zinc), antimony.

(12) Abrasive grain.

(13) Powder metallurgy i.e., sintered parts and oilite bearings.

(14) Industrial fasteners, high tensile and alloy steel bolts, nuts etc.

(15) Petrol engines for fitment on agricultural sprayers.

(16) Synthetic rubber.

(17) Malleable iron castings, alloy iron castings, steel castings and steel forgings including S. G. iron castings.

(18) Mathematical and scientific instruments including electrical measuring instruments.

B. *Balancing Equipment for the Manufacture of Products Listed under (A) above.*

APPENDIX 7

(*Vide* para 29 of Chapter III)

QUOTA CERTIFICATE NO.

*1. C. C. I. & E., New Delhi.

*2. J.C.C.I. & E., Bombay/Calcutta Madras/CLA, New Delhi.

*3. D. C. C. I. & E. Ernakulam/Kanpur/ Goa/Hyderabad/Ahmedabad.

*4. C.I. & E., Poudicherry/Visakhapatnam/ Bangalore/Jammu & Kashmir/Rajkot/ New Kandla/Shillong.

IMPORT TRADE CONTROL

NOT TRANSFERABLE

Certified that Messrs .....
.....
.....have
satisfactorily established by means of—

Bills of Entry/Postal, declaration forms and
.....

*Customs Duty receipts with relevant invoices and Bank Drafts
.....
in the prescribed form, that they imported from .....
all ports in India
at———————
the port of
goods as per given below during the financial year 19 -19 :—

Description of goods .....
Serial No. and Part of the I.T.C. Schedule .....
Quantity .....
Value (c.i.f.) Rs. ..... Rupees .....
(In figures) (In words)

2. This certificate is issued without prejudice to the right of the licensing authority to recall for re-examination of the documentary evidence furnished in support of the above imports.

Seal

Controller of Imports & Exports.
**for C.C. Imports & Exports.*
**for Jt. C.C. Imports & Exports.*
**for Dy. C.C. Imports & Exports.*

.....197

*Score out which is not applicable.

APPENDIX 7—*contd.*

Particulars of Import Licences Issued—against the quota Certificate

(i) Licence No. ..... dated .....
for Rs. ..... for the period .....
issued.

(ii) Licence No. ..... dated .....
for Rs. ..... for the period .....
issued.

(iii) Licence No. ..... dated .....
for Rs. ..... for the period .....
issued.

(iv) Licence No. ..... dated .....
for Rs. ..... for the period .....
issued.

(v) Licence No. ..... dated .....
for Rs. ..... for the period .....
issued.

(vi) Licence No. ..... dated .....
for Rs. ..... for the period .....
issued.

(vii) Licence No. ..... dated .....
for Rs. ..... for the period .....
issued.

(viii) Licence No. ..... dated .....
for Rs. ..... for the period .....
issued.

(ix) Licence No. ..... dated .....
for Rs. ..... for the period .....
issued.

(x) Licence No. ..... dated .....
for Rs. ..... for the period .....
issued.

(xi) Licence No. ..... dated .....
for Rs. ..... for the period .....
issued.

(xii) Licence No. ..... dated .....
for Rs. ..... for the period .....
issued.

(xiii) Licence No. ..... dated .....
for Rs. ..... for the period .....
issued.

(xiv) Licence No. ..... dated .....
for Rs. ..... for the period .....
issued.

APPENDIX 8

(*Vide* paras 30, 42 and 46 of Chapter III)

Form of Affidavit

**Form of Affidavit to be produced in cases where the Customs Copy of the Bill of Entry has been lost or misplaced and the Exchange Control Copy thereof or a true copy of the Bill of Entry certified by the Customs Authorities is produced as evidence of past imports.

"I/We solemnly declare that the Customs Copy/Exchange Control Copy of the Bill of Entry Cash No.....dated.....has been lost or misplaced without having been produced for getting a licence for the same goods or for some other goods or for any other purpose to any licensing authority. The Exchange Control Copy/Customs Certified Copy of Bill of Entry is, therefore, produced for purposes of calculation of quota. The Customs Copy/Exchange Control Copy of the Bill of Entry in question if traced or found later will not be produced in future to obtain a licence for the same goods or some other goods, to the same licensing authority or to any other authority."

(Para 313 of Chapter XVII)

(i) Form of affidavit for obtaining duplicate copies of licences and Customs Clearance Permits which are lost or misplaced.

"I/We hereby solemnly affirm and declare that customs purposes copy/exchange purposes copy/both copies of licence No. ..... issued to me/us for the import of ..... from ..... has been lost/misplaced without having been registered with any customs authority and utilised at all/after having been registered with ..... (Customs House) ..... and utilised partly. The total amount for which the licence was issued is Rs. ..... and the total amount for which the original copy/or duplicate copy, if any issued was utilised is Rs. ..... The duplicate copy now required is to cover the balance of Rs..... I/We further solemnly affirm and declare that the said licence has not been cancelled, pledged, transferred or handed over by me/us or on my/our behalf to any other party for any purpose/consideration whatsoever and request to cancel the original licence *in lieu* of which the duplicate copy has been applied for by me/us. I/We agree and undertake to return the original licence, if traced later, to the issuing authority for record."

(Para 42 of Chapter III)

(ii) Form of affidavit to be produced in cases where the quota certificates issued by the licensing authorities are lost or misplaced.

**This affidavit should be submitted on stamped paper, for the value prescribed in applicants state.

APPENDIX 8—*Concld.*

"I/We hereby solemnly declare that quota Certificate No. ..... dated .....granted to me/us, by C.C.I. & E/JCCI & E/ DCCI & E/C.I. & E. ..... for ..... (S. No. .....) for Rs. ..... during the year ..... on the basis of past imports made during the basic year ..... has been lost or misplaced without its being produced before any licensing authority for getting an import licence for the same or any other goods or before the S.T.C. or any other authority for obtaining an allotment of imported goods.

I/We hereby further declare that the said quota certificate has not been cancelled, pledged, transferred or handed over by me/us or on my/our behalf to any other party for any purpose/consideration whatsoever and that the original quota certificate if traced later, will not be produced in future before any licensing authority to obtain a licence or for allotment of imported goods from S.T.C. or any other authority but will be surrendered to the licensing authority concerned for cancellation. I/We further solemnly declare that to the best of my/our knowledge and belief the said quota certificate was utilised by me/us upto the licensing period ..... etc."

(*Vide* para 46 of Chapter III)

*CERTIFICATE I.**

Certified that we ..... with Head Office at ..... and Branches at ..... have for the purpose of imports of ..... from ..... selected ..... as the common basic year and the quota certificate hereto appended is based on previous imports in this common basic year.

*CERTIFICATE II**

Certified that we.....with Head Office at..... .....and branches at..... have for the purpose of imports of ..... from ..... selected .....as the common basic year and that we have not yet obtained revised quota certificates based on imports in this common basic year. .....

*Not necessary to furnish these certificate on stamped paper.

APPENDIX 9

(*Vide* paras 49 and 64 of Chapter III)

Intimation to licensing authority about the change in the ownership/ constitution of an established importer's business.

1. Name of the business.
2. Address.
3. Names of branches, if any, with their address.
4. Nature of change in the ownership/constitution of the business.
5. Date from which the change has taken place.
6. (a) Original ownership, whether
   - (i) Individual.
   - (ii) Partnership.
   - (iii) Karta of Undivided Hindu Family.
   - (iv) Limited company.
   - (v) Any other association or body of individuals.

   (b) Names of individuals in the case of (i), (iii) and (v) above, names of partners in the case of (ii) above and names of Directors in the case of (iv) above.
7. (a) New ownership, whether
   - (i) Individual.
   - (ii) Partnership.
   - (iii) Karta of Undivided Hindu Family.
   - (iv) Limited Company.
   - (v) Any other association or body of individuals.

   (b) Names of individuals in the case of (i), (iii) and (v) above, names of partners in the case of (ii) above and names of Directors in the case of (iv) above.

DECLARATION

I/We do hereby declare that there has been a change in the ownership/ constitution of the business carried on in the name of M/s. ..... as stated above. There is no change in the name of the business. I/We, being the new owner/re-constituted concern, have acquired the quota of the

APPENDIX 9—*Concld.*

original concern as a whole. Our case is fully covered by paragraph 49 of the Import Trade Control Hand Book of Rules and Procedure, 1970 which we have carefully read.

I/We also declare that I/We have selected common basic year for the calculation of quotas in respect of the same or similar items in accordance with paragraph 58 of the Import Trade Control Hand Book of Rules and Procedure, 1970.

I/We hereby declare that the above statements are true and correct to the best of my/our knowledge and belief and I/We fully understand that any licence claimed or granted to me/us on the basis of the above statements is liable to cancellation, in addition to any other penalty that the Government may impose, or any other action that may be taken having regard to the circumstances of the cases, if it is found that any of the statements or facts therein are incorrect or false.

Signature.
Name in block letters.
Full address.

NOTE—(1) This declaration should be signed by a person who is duly authorised to sign a declaration on behalf of the new owner or the reconstituted concern, as the case may be. The person signing the declaration should clearly state the position held by him in the business.

(2) The declaration should be attested by a Notary Public/Oath Commissioner/1st Class Magistrate.

APPENDIX 10

(Para 54 of Chapter III)

FORM OF APPLICATION FOR RECOGNITION AS ESTABLISHED IMPORTERS AND GRANT OF QUOTA ON CHANGE IN THE OWNERSHIP OF BUSINESS

1. Name of applicant
   (a) Trade or business name
   (b) Address
   (c) Names of branches, if any, with their addresses
   (d) Ownership, whether
      (i) individual
      (ii) partnership
      (iii) Karta of undivided family
      (iv) limited company.
      (v) any other association or body of individuals.
   (e) Names of individuals in case of (i), (iii) and (v) above names of partners in case of (ii) above and names of directors in case of (iv) above.

NOTE.—In case of (ii), the partnership deed should be sent with the application.

2. (a) Trade or business name and address of the established importer whose quota is sought to be transferred either wholly or in part.
   (b) Names of branches, if any, with their addresses. The details of branches closed in the past may also be furnished.
   (c) Whether the established importer in (a) above was
      (i) an individual
      (ii) a partnership
      (iii) a karta of a Hindu undivided family in respect of the family business
      (iv) limited company
      (v) any other association or body of individuals.
   (d) Names of the individuals in case of (i), (iii) and (v) above, names of partners in case of (ii) and names of directors in case of (iv) above.

NOTE.—In case of (ii), the partnership deed should be sent with the application.

3. Date on which the business in (2)(a) above was first established.

APPENDIX 10—*Contd.*

4. The last transfer, if any, of quota allowed previously in respect of the business, and the number and date of the order allowing such transfer.

5. Mention changes in the ownership of the business due to admission, retirement or death of partners or transfer of business or any other reason whatsoever since 1-4-1951, or date given in item (3) above or the date mentioned if any, in item (4) above, whichever is latest.

6. Why was no application made for recognition of the change mentioned in (5) above?

7. Particulars of licences, if any obtained without obtaining recognition of change (*i.e.*, licence number name of commodity, value of licence, licensing period and licensing authority).

8. Particulars of the quotas sought to be transferred (*i.e.*, number date and value of quota certificate, the name of commodity and the basic year as mentioned therein, and the licensing authority).

9. Whether there is any order in force against the said established importer under clause 8 or 8A of the Imports (Control) Order, 1955 or clause 8 or 8A of the Exports (Control) Order, 1962 suspending issue of licences or debarring him from receiving licences, and the number and date of the order.

10. The share which applicants claim in the quota of the established importer and any reason for the same.

11. List of documents enclosed with the application :

1. .....

2. .....

3. .....

4. .....

I/We hereby declare that the above statements, are true and correct to the best of my/our knowledge and belief. I/We fully understand that the transfer/division of quotas if and when granted to me/us on the basis of statements furnished is liable to cancellation without prejudice to any other

APPENDIX 10—*Concld.*

action that may be taken against me/us in this behalf, if any of the statements or facts given above are found to be incorrect or false at any stage.

Signature .....

Name in Block Letters .....

.....

Designation .....

Date .....

Residential Address . ...

.....

.....

APPENDIX 11

(Para 54 of Chapter III)

JURISDICTION OF LICENSING AUTHORITIES FOR RECOGNITION OF NEW ESTABLISHED IMPORTERS AND GRANT OF QUOTAS

Authority to whom applications for recognition of new established importers and grant of quotas should be made.	Jurisdiction
1. Joint Chief Controller of Imports & Exports (Central Licensing Area), Indraprastha Bhawan 'A' Wing, New Delhi.	States of Himachal Pradesh, Delhi Rajasthan, Jammu and Kashmir, Haryana, Chandigarh and Punjab.
2. Joint Chief Controller of Imports and Exports, 4, Esplanade East, Calcutta	States of Assam, Bihar, Orissa, West Bengal, Manipur, Tripura, Andaman and Nicobar Islands and NEFA.
3. Joint Chief Controller of Imports and Exports, Central Govt. Offices New Building, S. E. Wing, New Marine Lines, Churchgate, Bombay.	States of Maharashtra and Madhya Pradesh.
4. Joint Chief Controller of Imports and Exports, Madras.	States of Tamil Nadu (excluding Coimbatore District), and Mysore (excluding Mangalore District), Pondicherry, Karaikal, Mahe and Yanam.
5. Deputy Chief Controller of Imports and Exports, Panjim (Goa).	Goa, Daman, Diu and Nagar Haveli.
6. Deputy Chief Controller of Imports and Exports, Ernakulam, Cochin-II.	Kerala State, Coimbatore Distt of Tamil Nadu State, Mangalore Distt. of Mysore State and Lacadive, Minicoy Islands.
7. Deputy Chief Controller of Imports and Exports, Kanpur.	State of Uttar Pradesh.
8. Deputy Chief Controller of Imports and Exports, Hyderabad.	State of Andhra Pradesh.
9. Deputy Chief Controller of Imports and Exports, Ahmedabad.	Gujarat State.

APPENDIX 12

(Para 71 of Chapter IV)

List of Priority Industries.

Industries engaged in the manufacture of :—

1. Motorcycles.
2. Scooters.
3. Bicycles and Bicycle Parts.
4. Mopeds.
5. Agricultural Tractors.
6. Agricultural machinery and implements.
7. Pumps.
8. Fertilizers.
9. Pesticides.
10. Basic metal—iron and steel, copper, aluminium, zinc and lead.
11. Industrial and mining machinery.
12. Iron and Steel castings, forgings, pipes and structures.
13. Internal Combustion Engines.
14. Machine tools and accessories.
15. Workshop machinery and equipment other than machine tools.
16. Small tools including cutting tools, power tools and other workshop tools.
17. Coated and bonded abrasives and polishing wheels.
18. Industrial furnaces.
19. Ball and roller bearings.
20. Welding electrodes.
21. Transformers, switchgears, motors, generators, power capacitors rectifiers, relays and electric stampings.
22. Electrical cables and wires.
23. Storage batteries, dry batteries.
24. Electronic components.
25. Construction and earth moving equipment.

APPENDIX 12—*Concld.*

26. Cranes and hoist blocks.
27. Industrial fasteners.
28. Wires ropes.
29. Scientific and industrial instruments.
30. Cement.
31. Organic and inorganic heavy chemicals including lead oxides, White Lead, Zinc oxide and Titanium Dioxide.
32. Fine chemicals.
33. Pulp, paper and newsprint.
34. Synthetic rubber.
35. Tyres and tubes.
36. Industrial explosives.
37. Industrial gases.
38. Drugs.
39. Medical and surgical equipment and appliances.
40. Electro-medical and X-Ray equipment.
41. Refractories, fire bricks and insulators.
42. Commercial vehicles including Jeeps and three wheelers.
43. Automobile ancillaries.
44. Trawlers, dredgers and fishing boats.
45. Leather and leather goods.
46. Optical and laboratory glass and glass wool.
47. Jute textiles.
48. Tea.
49. Coffee.
50. Canned and preserved fish.
51. Sanitary cans.
52. Paints and varnishes and enamels.
53. Man-made fibres.
54. Matches.
55. Telecommunication equipment.
56. Wagons.
57. Industrial refrigeration equipment.
58. Sugar.
59. Cotton textiles.

APPENDIX 13

(Para 72 of Chapter IV)

Statement showing details of imported machinery or indigenous machinery having imported components, for which spare parts are sought to be imported.

Sl. No.	Details of machinery installed or used in the applicant's unit for which spares are required and date of installation of machinery.	Licence No. & date under which the machinery was imported along with country(s) of origin or date of purchase in the case of indigenous machinery	C.i.f. value in the case of machinery/ purchase price in the case of indigenous machinery	Remarks
(1)	(2)	(3)	(4)	(5)
	Imported machinery			
	Indigenous machinery having imported components.			

I/We solemnly declare that the above statement is true and correct to the best of my/our knowledge.

Date.....

Signature.....

Name in block letters.....

Designation.....

Residential address.....

NOTE.—Where an applicant is not in a position to indicate the number and date of the licence in column 3, he can indicate the year from which the machinery has been in use.

APPENDIX 14

(Para 73 of Chapter IV)

Statement showing consumption of imported raw materials and components, production and un-utilised value of licences.

1. Name of the unit.....

2. End product manufactured.....

3. C.i.f. value of imported raw materials and components (excluding spare parts) consumed by the unit during the period from.....to.....

4. Book value of production turned out by the unit during the period from..... to.....

5. Particulars of import licences for raw materials and components with un-utilised balance:

No. and date of licence	Date up-to which valid including re-validation, if any, granted	Source of financing	Total c.i.f. value of licence	Balance c.i.f. value available on Customs copy of the licence, on————	C.i.f. value out of col. 5, for which letter of credit has been opened	Un-utilised c.i.f. value (difference between the values in cols. 5 and 6
1	2	3	4	5	6	7

6. Particulars of actual imports of raw materials and components, during the period from.....to.....

S. No.	No. & date of import licence or Release order.	C.i.f. value of raw material, components imported (or procured against release order).
1	2	3

I/We hereby declare that the information given in this statement is correct. I/We fully understand that any licence issued on the basis of this information will be liable to cancellation, in addition to any other action that may be taken in this behalf, if it is found that any part of the information furnished is incorrect, false or misleading.

Signature of applicant.....

Date.....

Full address.....

APPENDIX 14—*Concld.*

I/We do hereby certify that the information furnished in this statement is correct and complete. I/We have verified this from the following records :

(1)

(2)

(3)

(4)

I/We also certify that the applicant unit has been maintaining proper accounts of consumption in the prescribed form as indicated in Appendix 19 to the Import Trade Control Hand Book of Rules & Procedure, 1970.

Date _ _ _ _ _ _ _ _ _ _ _ _

Signature and seal of Chartered Accountant/Cost Accountant (or Sponsoring Authority, in the case of Small Scale units)

Full Address. _ _ _ _ _ _ _ _ _ _ _ _ _ _ _ _ _ _

NOTE : (1) Only those import licences should be entered under para 5 of this statement, which pertain to raw materials and components, issued to the applicant under the Actual User's policy and are still valid including the revalidation, if any, granted. If the applicant has surrendered any licence, it should also be entered if it has not expired.

(2) The un-utilised value to be entered in Col. 7 under para 5 above will be the balance c.i.f. value available on the Customs copy of the licence, reduced by the amount for which firm commitment has been made by opening letter of credit.

(3) The consumption of imported raw materials, components and particulars of licences to be shown in this statement will be in respect of those items for which import licences are issued to the applicant by the I.T.C. authorities. Similar information in regard to items for which import applications are required to be made to the Iron and Steel control licensing authorities should be shown in a separate statement to be submitted to such authorities. (The units engaged in IDA industries should include information in regard to iron and steel items also in the applications submitted to I.T.C. authorities).

(4) The information in regard to actual imports to be given under para 6 of the statement should be with respect to the imports effected against any import licence, issued to the applicant including licences obtained under the import policy for Registered Exporters.

APPENDIX 15

(Para 76 of Chapter IV)

Names of Sponsoring Authorities

Industry	Sponsoring Authority
1. (*a*) Textile industry other than Jute hemp and silk (*b*) Textile engineering industry	Textile Commissioner, Bombay.
2. Tea Industry	Chairman, Tea Board, Calcutta.
3. Coffee Industry	Chairman, Coffee Board, Bangalore.
4. Sugar Industry	Director (Sugar Technical) Directorate of Sugar and Vanaspati, Ministry of Food Agriculture, Community Development and Co-operation, New Delhi.
5. Rubber Estate	Chairman, Rubber Board, Kottayam.
6. Petroleum Industry	Ministry of Petroleum and Chemicals, and Mines and Metals, New Delhi.
7. Producers of iron and steel and re-rolling mills, excluding re-rolling mills, etc., which do not require the permission of Iron and Steel Controller as per Govt. of India former Minister of Steel, Mines and Fuel (Deptt. of Iron and Steel) Notification No. SC (A)-I(28)/59, dated the 4th June, 1960.	Iron and Steel Controller, Calcutta. NOTE.—In the case of Integrated Steel plants in the private sector, the sponsoring authority is the Ministry of Steel and Heavy Engineering.
8. Collieries.	Coal Controller, Calcutta.
9. Electricity undertakings	Central Water and Power Commission (Power Wing), Government of India Bikaner House, Shahajahan Road, New Delhi.
10. Silk Industry	Central Silk Board, Bombay.
11. Handloom Industry	State Directors of Handlooms.
12. Vanaspati Industry	Chief Director, Directorate of Sugar and Vanaspati, Ministry of Food, Agriculture, Community Development and Co-operation, New Delhi.
13. Coir Industry.	Chairman, Coir Board, Ernakulam.
14. Shipping Industry/Shipping Companies (In respect of sea going vessels). The requirements in respect of inland steam and motor vessels will be certified by the Principal Officer, Mercantile Marine Department of the area concerned.	Director General of Shipping, Bombay.

APPENDIX 15—*Concld.*

Industry	Sponsoring Authority
15. Fruits and vegetables preservation industry including cold storages.	Director General Technical Development/Executive Director, Food and Nutrition Board, Ministry of Food, Agriculture, Community Development and Co-operation, New Delhi.*
16. Jute and Rope Industry (using sisal or manila) and jute textile engineering industry.	Jute Commissioner, Calcutta.
17. Mines other than collieries . . .	Controller, Indian Bureau of Mines, Nagpur
18. Canning, freezing and other fishery industries.	State Directors of Fisheries.
19. Pharmaceutical industry and cosmetics industry.	State Drugs Control authorities (As given in Appendix 18 to this Book).
20. Salt Industry in the private sector .	Salt Commissioner, Jaipur.
21. Starch Industry . . .	Director General, Technical Development.
22. Cardamom plantation	Cardamom Board, Ernakulam.
23. Industries other than those mentioned above.	Industries Commissioner or the State Director of Industries, as the case may be, of the State where the factory is located.

*The actual user should submit his application to the Executive Director, Food and Nutrition Board, Ministry of Food, Agriculture, Community Development and Cooperation, New Delhi, who will forward the same with his recommendation to the Director General, Technical Development.

APPENDIX 16

(Para 76(9) Chapter IV)

Application for Allotment of Registration Number

(1) Name of the scheduled industry or industries to which articles of manufacture relate.

(2) Name of the Industrial under-taking.

(3) Full address of the registered office of the company.

(4) Full address of the location of the factory.

(5) Licence number/numbers issued under I (D & R). Act, and date.

(6) Sanction letter/letters number issued, number and date.

(7) Names of proprietors, partners or Board of Directors and their full address.

(8) Any foreign collaboration involved. If so, with whom ?

(9) Any foreign technician employed, if so, number and types of such personnel.

(10) Tonnage licensed/sanctioned for production per annum on single shift basis.

(11) Number of shifts allowed under licence/sanction.

(12) Capacity actually installed out of licensed/sanctioned capacity.

(13) Reason for non-installation of balance capacity and when expected to be installed or reasons for excess capacity where applicable.

(14) Names of articles not manufactured and production capacity per annum against each such article with details e. g. gauges, quantities etc.

(In case of units which have not yet started production)

(1) Whether land acquired for factory.

(2) Progress made in the construction of factory and installation of plant & machinery.

(3) Progress made in getting supply of water and power.

APPENDIX 16—*Concld.*

(4) What percentage in value of total requirement of capital equipment has been

(*a*) ordered and received;

(b) ordered and not yet received.

(5) Expected date of commencement of production.

I/We hereby declare that the facts/statements given above are true and correct to the best of my/our knowledge and belief. I/We fully understand that any "registration number" claimed or granted to me/us on the basis of above facts/statements is liable to cancellation in addition to any other action that may be taken having regard to the circumstances of the cases, if it is found that any of the statements or facts therein are incorrect or false.

(Signature of applicant)
Name in block letters

Date .. ..

Full address:—

APPENDIX 17

(Para 78 of Chapter IV)

LIST OF INDUSTRIES

(Ancillary units engaged in these industries with capital investment upto Rs. 10.0 lakhs will be treated as S.S.I. units)

1. Industrial machinery.
2. Agricultural and earth moving machinery.
3. Machine tools.
4. Industrial, scientific and mathematical instruments (mechanical).
5. Locomotives and rolling stocks, ships and aircrafts.
6. Bicycles.
7. Boilers and steam-generating plants.
8. Steam engines, turbine and internal combustion engines.
9. Automobiles.
10. Commercial office and household equipment.
11. Electrical machinery, equipment and appliances.
12. Tele-communication equipment.
13. Industrial instruments (electrical).
14. Radios and electronic equipment.
15. Air-conditioners and cold storage equipment including refrigerators.
16. Mineral oil and petroleum industries.

NOTE.—In regard to item no. 11 viz., electricity machinery, equipment & appliances, emphasis should be mainly on electrical machinery rather than on appliances, which would cover also those of consumer type, the scope for the development of which is somewhat limited at present.

In regard to item no. 16 *viz.*, mineral oil & petroleum industries only such small scale units which serve as ancillaries to large scale unit engaged in the manufacture of the equipment for the marketing of the refined petroleum products, should be encouraged.

Criteria for Ancillary Units

A unit which produces parts, components, sub-assemblies and tooling for supply against known or anticipated demand of one or more large units manufacturing/assembling complete products and which is not a subsidiary to or controlled by any large unit in regard to the negotiation of contracts

APPENDIX 17—*contd.*

for supply of its goods to any large unit. This shall not, however, preclude an ancillary unit from entering into an agreement with a large unit giving it the first option to take the former's output.

The units which are set up primarily for replacement market also fall within the scope of the above criteria. Units manufacturing tools, jigs & fixtures will also be recognised as ancillary units,

APPENDIX 18

(Para 79 of Chapter IV)

LIST OF STATE DRUGS CONTROL AUTHORITIES

S. No.	States	Authorities
1.	Andhra Pradesh	Drugs Controller and Director, Medical Services, Andhra Pradesh, Hyderabad.
2	Assam	Drugs Controller and Director of Health Services, Assam, Shillong.
3	Bihar	Drugs Controller and Director of Health Services, Bihar, Patna.
4	Gujarat	Director, Drugs Control Administration, Gujarat State, Ahmedabad-1.
5	Haryana	Drugs Controller, Haryana, Chandigarh.
6	Kerala	Drugs Controller and Director of Health Services, Kerala, Trivandrum.
7	Madhya Pradesh	Drugs Controller, Madhya Pradesh, Directorate of Health Services, Moti Baungalow Indore.
8	Maharashtra	Director, Drugs Control Administration, Maharashtra State, 127, Mahatma Gandhi Road, Fort, Bombay-1.
9	Mysore	Drugs Controller, Mysore State, Seshadri Road, Bangalore.
10	Orissa	Drugs Controller and Director of Health Services, Orissa, Bhubneshwar.
11.	Punjab	State Drugs Controller, Punjab, Directorate of Health Services, Old Secretariat, Chandigarh.
12.	Rajasthan	Drugs Controller and Director of Medical and Health Services, Rajasthan, Jaipur.
13	Tamil Nadu	Drugs Controller and Director of Medical Services, Tamil Nadu 79—81, Mount Road, Madras.
14.	Uttar Pradesh	Drugs Controller and Director of Medical and Health Services, Uttar Pradesh, Lucknow.
15	West Bengal	The Director, Drugs Control, West Bengal College Square West, Calcutta-7.
16	Delhi	Drugs Controller and Superintendent, Medical Services, Delhi Administration, 15, Alipur Road, Delhi-6.
17	Goa	Drugs Controller, Goa, Panjim.
18	Himachal Pradesh	Drugs Controllers and Director of Health Services, Himachal Pradesh, Simla.
19	Manipur	Drugs Controller and Director of Medical and Health Services, Manipur, Imphal.
20	Pondicherry	Drugs Controller, Pondicherry.
21	Tripura	Drugs Controller and Superintendent V. M. Hospital and I/C Health Directorate Agartala.
22	Jammu and Kashmir	Drugs Controller of Jammu and Kas mir, Srinagar.

APPENDIX 19

(Para 92 of CHAPTER IV)

Register for maintenance of consumption and stocks by actual users

S. No.	Date	Description of item	Receipts (Stock)				Issue (Consumption)					Date of documents pertaining to the transportation of goods from the port of landing or place of receiving the goods to the factory site.	Remarks
			Opening balance	Qty. of fresh stock received	Name of supplier	No. & date of import licence/ release order against which imported/allocated, or other authorised source from which obtained.	Date	Qty.	End product in which used. (Batch No. also to be shown in the case of pharmaceutical units)	Diverted to others in an authorised manner.	Closing balance		

APPENDIX 20

(Para 129 of Chapter VI)

The following machinery and component parts thereof falling under Serial Nos. 4 and 5 of Part III of the Import Trade Control Schedule and all goods not mentioned hereunder but falling under Serial Nos. 4(1), 4(2), 4(3), 4(4) and 4(5) of Part III of the I.T.C. Schedule, when required by the cotton textile industry.

(Note 1.—Component parts are those parts which are illustrated in the original machinery makers' catalogues. Note 2.—The letter (P) denotes productive machinery.)

(A) COTTON SPINNING MACHINERY

(i) Mixing and Blow Room Machinery.

(ii) Card Room Machinery.

(a) Carding Engines.
(b) Card Grinding & Mounting Equipments.
(c) Vacuum Stripping Plants for Carding Engines.

(iii) Combing Machinery.

(a) Ribbon Lap Machines.
(b) Silver Lap Machines.
(c) Lap-former.
(d) Comber.
(e) Re-Needling Equipment.

(iv) Drawing Frames and Speed Frames.

(a) Drawing Frames.
(b) Lap Winders.
(c) Lap Drawing Frames.
(d) Slubbing Frames.
(e) Single passage Speed Frames (High Draft).
(f) Simplex Fly Frames.
(g) Intermediate Frames.
(h) Roving Frames.
(i) Jack Roving Frames.

(v) Spinning Room Machinery.

(a) Warp & Weft Ring Frames. (P)
(b) Mules. (P)
(c) Doubler Winding Machines, Ring & Flyer Doubles Twisters and Double Twisters.
(d) Tubular, Banding & Braiding Machines. (P)
(e) Roller Covering, Grinding & Mounting Equipments.

APPENDIX 20—*contd.*

(f) Bobbin Stripping Machines.
(g) Yarn Gassing Machines.
(h) Reels.
(i) Bundling Presses.
(j) Yarn Polishing Machines.
(k) Yarn Conditioning Machines.

(vi) Waste Cleaning Machinery.

(a) Roving Waste Openers.
(b) Thread Extractors.
(c) Willow Machines.

(B) COTTON WEAVING MACHINERY

(i) Preparatory Machinery.

(a) Winding Machines

Drum Winders, Vertical Spindle Winders, Cheese and Cone Winders, Bottle Bobbin Winders, Prin Winders, and Spool Winders.

(b) Warping Machines
Beam Warping Machines, Ordinary Creels, Magazine Creels, Sectional Warping Machines, Beaming Machines, Super speed warping machine.

(c) Sizing Machines.

(i) Cylinder Slasher Sizing Machines.
(ii) Multi-cylinder sizing machines.
(iii) Hot and/or Moist Air Drying Sizing Machines.

(d) Warp Reacher-in-frames (Mechanical and Electrical).
(e) Automatic Warp Tieing Machines.
(f) Drawing-in-frames (mechanical and automatic).

(ii) Looms.

(a) Plain Looms, Automatic Looms, Tappet Looms, Drop-Box Looms or Circular Box Looms and Circular Looms. (P)
(b) Terry Towel Looms. (P)
(c) Tape Looms.
(d) Ribbon Looms. (P)
(e) Webbing Looms. (P)
(f) Loom for Waste Yarn Weaving. (P)
(g) Duck Looms, Canvas Looms and Blanket. (P)
(h) Loom attachment such as Dobbies, Jacquards, Warp Letoff Motions, Positive Take-up Motions, Drop Box Motions, Special Tappets, Warp Stop Motions, Card Punching Machines, Card Cutting Machines, Repeating Machines, Lacing Machines and Automatic Weft Replenishing Attachment for cop or shuttle change.

APPENDIX 20—*contd.*

(C) BLEACHING, MERCERISING, DYEING, PRINTING, FINISHING AND CALENDERING MACHINERY

(i) Bleaching Machines

Gas and Electric Singeing Machines.
Boiling Kiers.
Open width Kiers (Desizing Machines)
Bleaching Croft Washing Machines.
Rope Washing Machines.
Piling Machines.
Chemicking and Souring Equipment.
Squeezer.
Scutcher.
Water Mangle.

(ii) Mercerising Machines.

Chain and Chainless Mercerising machines with Impregnating Mangle.
Caustic Lye Cooling Plant.
Cylinder Drying Machines.
Automatic Piling Apparatus.
Caustic Soda Recovery Range.
Hank yarn Mercerising Machines with Cooling Plant.

(iii) Dyeing Machines.

Hank Dyeing Machines.
Cheese Dyeing Machines.
Cone Dyeing Machines.
Beam Dyeing Machines.
Loose Cotton Dyeing Machines.
Card Silver & Flyer Bobbin Dyeing Machines & Plants with Pumping Arrangement and Lifting and Travelling (Mechanical or Electrical).
Hoists for material Carriers.
Dyeing Jiggers—ordinary and automatic.
Padding Mangles.
Wince Dyeing Machines.
Hot Air Drying Machines with Cylinders/or Chambers.
Hydro-extractors (centrifugal and open width).
Continuous Dyeing Machines.
Khaki, Aniline and Sulphur Dyeing Plants consisting of :
Padding Mangles.
Vertical Drying Machines.
Agers.
Dye Jiggers.

APPENDIX 20—*contd.*

Washing Range.
Open Soapers.
Cylinder Drying Machines.

(iv) Printing Machines

Brushing, Shearing and Cropping Machines.
Stentering Machines.
Colour Pans.
Mandrel Forcing Press.
Laboratory Printing Machines.
Roller Printing Machines.
Screen Printing Machines.
Cylinder Drying Machines.
Hot Air Drying Machines or Hot Flues.
Aging Machines.
Washing Machines.
Open Soaping and Washing Machines and Rope.
Soaping & Washing Machines.

(v) Finishing Machinery.

Starch Mangle.
Back Filling Mangle.
Cylinder Drying Machines, Hot Air Drying Machines.
Stentering Machines (Pin Clip and Jig).
Belt Stretching Machines.
Palmer Stretchers.
Starching Machines.
Beetling Machines.
Spray Damping Machines.
Brush Damping Machines.
Sanforizing Machines.
Raising Machines.
Cloth Brushing Machines.

(vi) Calendaring Machines.

Friction Calendaring Machines.
Sweezing and Chasing Calender Machines.
Schreiner Calender.
Embossing Calenders.
Finishing Calenders.
Universal Calenders.
Felt Calenders.

(D) PACKING AND FOLDING MACHINERY

Folding Machines.
Inspecting and Measuring Machines.

APPENDIX 20—*contd.*

Stamping Machines.
Combined Coeasing, Lapping, Rolling & Measuring Machines.
Ball Press.

(E) COTTON WASTE SPINNING

(i) Opening and Cleaning Machinery.
Hard Waste Breaker Machines.
Premier Opener Machines.
Pickering Machines.
Rag Tearing Machines.
Tenter Hook Willow Machines.
Spiral Willow Machines.
Waste Hopper Feeders and Scutchers.

(ii) Carding and preparatory to spinning machinery.
Breaker carding Engine with or without Hopper.
Feeder Finisher Carding Engines either with Condensers or Ring.
Doffers.
Derby Doublers.
Slubbing Frames.
Intermediate Frames.

(iii) Spinning Machinery.

Mule Spinning Machines.	(P)
Ring Spinning Machines.	(P)
Condenser Spinning Machines.	(P)
Chappon Frames.	(P)
Box Frames.	(P)

(F) KNITTING MACHINERY

(i) Knitting Machines.

Circular Machines.	(P)
Rib Top Machines.	(P)
Linking Machines.	(P)
Flat-Bed Machines.	(P)
Tricot Knitting Machines.	(P)
Warp Knitting Machines.	(P)
Mosquito Net Manufacturing Machines.	(P)
Fishing Net Making Machines.	(P)

Raschel Knitting Looms.

(ii) Stitching Machines.
Overlock Machines with Cutters.
Chain Stitching Machines.
Hem Stitching Machines.
Flat Lock Machines.

APPENDIX 20—*concld.*

(iii) Dressing Frames and Guillotine Cutters.

(iv) Embroidery Machines.

(G) TESTING ROOM MACHINES

Fibre, Silver, Yarn and Cloth Testing Machines and Apparatus for testing staple length convolutions, crimps, twists, counts, moisture content, tensile strength, bursting, wearing and tearing.

(H) HUMIDIFYING AND AIR CONDITIONING EQUIPMENT AND APPARATUS.

(I) MATERIAL HANDLING AND CARRYING EQUIPMENTS.

(J) PNEUMATIC UNDER CLEARER ATTACHMENTS.

(K) AUTOMATIC FEED LUBRICATION SYSTEMS.

(L) POWER PLANTS

(i) Steam Engines, Turbines & Turboalternators.

(ii) Steam Boilers, Economisers, Superheaters, Feed Pumps, Mechanical Stokers, Pulverisers and Fuel Burning equipments.

APPENDIX 21

(Para 131 of Chapter VI)

LIST OF KEY INDUSTRIES

(a) Industries providing agricultural inputs.

(1) Fertilisers (including sulphuric acid & phosphoric acid required therefor).

(2) Pesticides and pesticides intermediates.

(b) Metals.

(1) Steel including alloy, tool and stainless steel, electric grade steel and ferro-alloys other than ferro-manganese and ferro-silicon.

(2) All non-ferrous metals.

(c) Engineering industries.

(1) Heavy electrical equipment (includes equipment for generation, transmission and distribution of electric energy and components,

(2) Industrial and power boilers.

(3) Instruments and appliances—industrial, scientific, medical surgical and electronic.

(4) Electronics components.

(5) Metallurgical and heavy machinery equipment.

(6) Ship-building and dredgers and ancillaries and port equipment,

(7) Earth-moving equipment like excavators, shovels, crawler tractors, dumpers, wheeled loaders, scrapers and motor graders etc.

(8) Machine tools including small tools.

(9) Agricultural tractors.

(10) Automobile ancillaries.

(11) Industrial machinery (*viz.*, sugar machinery, cement machinery, coal mining machinery, pulp and paper machinery and chemical and pharmaceutical machinery).

(12) Gas cylinders.

(13) Seamless tubes.

(d) Chemicals and allied industries.

(1) Selected organic and petro-chemicals, integrated petro-chemical complexes, DMT, Caprol-actum, synthetic rubber and synthetic detergents.

(2) Essential drugs and pharmaceuticals (including intermediates and contraceptives).

(3) Petroleum refining.

(4) Newsprint, pulp for rayon and paper.

(5) Catalysts.

APPENDIX 21—*contd.*

(e) Mineral industries.

(1) Oil exploration and production.

(2) Coking coal.

(3) Iron ore including pellatization of such ore.

(4) Pyrites, rock phosphate, mining and beneficiation.

Note :—Any unit with substantial export potential will be given the same facilities as a Key Industry.

List of Industries in which priority may be given for import of capital goods. Applications from such industries may be made in the normal manner and not through CLP Section of the Department of Industrial Development, New Delhi.

Industries engaged in the manufacture of :—

1. Motor cycles, scooters, mopeds and bicycles (including parts).
2. Agricultural machinery and implements, including harvestors.
3. Pumps, compressors, industrial fans and blowers.
4. Industrial and mining machinery (other than those specified in key industries).
5. Pipes, pipe fittings.
6. Internal combustion engines.
7. Industrial furnaces.
8. Ball and rollers bearings.
9. Power cables and telephone cables and bus bars.
10. Storage batteries, dry batteries.
11. Construction equipment.
12. Cranes.
13. Industrial fasteners.
14. Link chains.
15. Commercial vehicles, including jeeps and three wheelers.
16. Trawlers, fishing boats, harbour crafts and ancillaries.
17. Tele-communications equipment, wireless and TV transmission and radar equipment.
18. Radio receivers and T.V. sets.
19. Wagons shunters and locomotives.
20. Industrial refrigeration equipment and ancillaries.
21. Fire engines, crash tenders and other fire fighting equipment.
22. Non-ferrous semis and alloys.
23. Electric lamps and lamp components, including miniature lamps.
24. Essential organic and inorganic heavy chemicals.
25. Dyestuff intermediates.
26. Photographic films, stores and paper.

APPENDIX 21—*concld.*

27. Paper.
28. Synthetic detergents.
29. Tyres and tubes.
30. Industrial explosives.
31. Industrial gases.
32. Refractories, fire-bricks and insulators.
33. Leather and leather-goods industries, including footwear.
34. Industrial alcohol.
35. Enamels.
36. Packaging industry.
37. Man-made fibre.
38. Matches.
39. Food processing industries.
40. Vegetable oils.
41. Ion-exchange resins.
42. Coal carbonization and coal-tar distillation.
43. Cement.
44. Electric insulating materials.
45. Asbestos products.
46. Electrodes.
47. Watches and time-pieces.
48. Ready-made garments.

APPENDIX 22

(Para 134 of Chapter VI)

Utilisation report for the half year ending .....
.....

1. Name and address of the licensee .....
.....
2. No. and date of the licence. .....
3. Brief description of the goods .....
4. Total value of the licence : Rs. .....
5. Value of the goods imported during the half year under report :—

Date of Import	Value in Rs.	Port of Clearance
1	2	3

6. Balance value unutilised in the Customs copy of the licence at the end of the half year under report. Rs. .....
7. Details of remittances made against the licence during the half year under report.
8. Unutilised balance in the Exchange Control copy of the licence at the end of the half year under report. Rs. .....
.....

Date of remittance. *Value in Rs.*

9. Date of expiry of the validity period of the licence including the period of revalidation, if any.

I/We hereby certify that the particulars furnished above are true to the best of my/our knowledge and belief.

Date.....

Signature of the

licensee .....

APPENDIX 23

Machine Tools Declaration

(Para 167 of Chapter VI)

1. Name and address of the importer :

2. Import licence no. and date :

3. Category of importer :

4. Established Importer/Others :

5. Project :

Sl. No.	Code no. (not to be filled by the importers)	Detailed description of the machine tools with makers name, model no. and specifications	Quantity	Value Rs. (cif)	Second hand or new. If second hand, approx. age of the machine	Manufacturers name
1	2	3	4	5	6	7

I/We solemnly declare that the above statement is true and correct to the best of my/our knowledge.

Date.....

Signature.....

Name.....

Designation.....

Address.....

.....

APPENDIX 24

Open General Licence No. IV

(Para 240 of Chapter X)

GOVERNMENT OF INDIA, MINISTRY OF COMMERCE AND INDUSTRY, IMPORT TRADE CONTROL ORDER NO. 2/61, DATED THE 28TH FEBRUARY, 1961 AS AMENDED REGARDING OPEN GENERAL LICENCE NO. IV.

The following Open General Licence issued by the Central Government under the Imports and Exports (Control) Act, 1947 (XVIII of 1947) in supersession of Open General Licence No. IV published with the Ministry of Commerce and Industry Import Trade Control Order No. 3/58, dated the 31st March, 1958, is published for general information :—

IMPORT TRADE CONTROL—OPEN GENERAL LICENCE NO. IV

In exercise of the powers conferred by Section 3 of the Imports and Exports (Control) Act, 1947 (XVIII of 1947), as in force in India and as applied to the State of Pondicherry, the Central Government hereby gives general permission for the importation from any country in the world except the Union of South Africa, until further notice, of the following :—

(i) free gifts of books upto the value of Rs. 400 in favour of individuals or institutions;

(ia) free gifts of trade catalogues and circulars upto the value of Rs. 400;

(ib) free gifts of books containing technical know-how, literature for construction work, and manuals containing manufacturing processes and scientific data by industrial concerns for their own use upto the value of Rs. 400;

(ii) Blue prints and Drawings (including Micro-films which are photographic reductions thereof) relating to Machinery and Plant sites, works and buildings and which are supplied free of charge and are of no commercial value; and

(iii) any goods included in Schedule I to the Imports (Control) Order, 1955 and which :—

(A) are *bona fide* technical and trade samples supplied free of charge, not exceeding Rs. 800 in *c.i.f.* value in one consignment, or *bona fide* advertising matter, supplied free of charge not exceeding Rs. 400 in *c.i.f.* value in one consignment, excepting "vegetable seeds" falling under Sr. No. 36 and "new drugs" as defined in rules 30-A of the Drugs Rules 1945, falling under Sr. Nos. 87 and 109 of Part IV of the Import Trade Control Schedule :

Provided that such samples or advertising matter are not sold by the importer; or

APPENDIX 24—*contd.*

(B) are supplied free of charge in replacement of goods previously imported which have been found to be defective or otherwise unfit for use, the defect having been noticed and brought to the notice of the Customs authorities before the clearance of the goods from the Customs House, or, in the case of machines or parts thereof covered by a guarantee, the defect is noticed during the guarantee period.

Provided that—

the shipments of such goods are made within six months from the date of clearance of the previously imported goods from the Customs House or within the guarantee period, in the case of machines or parts thereof, if such period is more than six months, and the following documents are produced before the Customs authorities :—

(a) original letter from the foreign suppliers stating that such goods are being supplied free of cost;

(b) a survey certificate issued by Lloyds Agents or any other authorised insurance surveyors or, in the case of machines or parts thereof, a certificate from a qualified engineer, to the effect that the goods were actually received in defective condition and required replacement; and

(c) in the case of machine or parts thereof, evidence showing the period of guarantee given by the foreign manufacturer or consignor.

This licence is without prejudice to the application to any goods of any other prohibition or regulation affecting the import that may be in force at the time when such goods are imported.

APPENDIX 25

(Para 263 of Chapter XIII)

FOR CUSTOMS PURPOSES
FOR EXCHANGE CONTROL PURPOSES

LETTER OF AUTHORITY

Subject to the conditions prescribed below M/s.....
.....
holders of Licence No..... dated ..... (hereafter referred to as the said LICENSEE) are hereby authorised to permit M/s....
.....
(Indentor/or Commission Agents/Dealers) on their behalf to import goods and to open letter of credit and make remittance of foreign exchange against the said licence to the extent of Rs..... quantity.....of the goods (description)..... as per the said licence.
This letter of authority has been issued subject to the conditions laid down in Chapter XIII of the Import Trade Control Hand Book of Rules and Procedure, 1970. This letter of authority is valid from the date of its issue.

Controller of Imports & Exports,
for Chief Controller of Imports and Exports.

Dated ..... File no.....

This letter of authority is issued subject to the following conditions :—

(a) The person or concern in whose favour its has been issued will act purely as an agent of the licensee and the goods imported will be the property of the licence-holder both at the time of clearance through the Customs and subsequent thereto. The licence holder will have to ensure that the goods on importation will be delivered to him and shall not be disposed of otherwise.

The licensee shall not cause or permit the holder of letter of authority to dispose of the goods.

(b) The holder of the letter of authority shall clearly indicate on all the relevant Custom documents including the triplicate copy of the Customs Bill of Entry that the goods have been imported by him on behalf of the licencee. This endorsement will be duly attested by the Customs authority.

APPENDIX 25—*contd.*

(c) The holder of the letter of authority shall not under any circumstances be entitled to any quota licences on the basis of these imports.

Controller of Imports & Exports,
for Chief Controller of Imports and Exports.

APPENDIX 26

Para 278 of Chapter XIV

PASSENGERS (NON-TOURIST) BAGGAGE RULES

CUSTOMS NOTIFICATION NO. 122, DATED 19-11-1960, PUBLISHED IN THE GAZETTE OF INDIA ON 19-11-1960 AS AMENDED BY CUSTOMS NOTIFICATION NO. 21 OF 2-2-1963, AND PUBLISHED IN THE GAZETTE OF INDIA ON 2-2-1963; AND FURTHER AMENDED BY CUSTOMS NOTIFICATIONS NOS. 84, 113, 151, 57, 58, 139, 143, 158 AND 38 DATED 23-6-1965, 9-6-1966, 22-7-1966, 27-5-1967, 1-3-1969, 27-9-1969, 18-10-1969, 6-12-1969 AND 21-3-1970 RESPECTIVELY.

DEPARTMENT OF REVENUES

(Now Central Board of Excise & Customs)

NOTIFICATION CUSTOMS

In exercise of the powers conferred by section 75 of the Sea Customs Act, 1878 (8 of 1878), as in force in India and as applied to the State of Pondicherry, the Central Board of Excise and Customs hereby makes the following rules for passing free of import duty baggage landed at Customs stations by passengers from foreign ports, other than those in Ceylon, Pakistan or Nepal namely :—

(1) These rules may be called the Passengers (Non-Tourist) Baggage Rules, 1960.

(2) They shall come into force on the 1st January, 1961.

(3) They shall not apply to those passengers to whom the Tourist Baggage Rules, 1958, apply.

2. The *bona fide* baggage of a passenger may be exempted from Customs duty upto the extent specified in these Rules where such baggage accompanies the passenger, does not form part of the cargo, is not included in the manifest and, unless the proper officer of Customs in any case otherwise directs, is declared in the proper form.

3. In the case of a husband and wife travelling together, separate allowances upto the extent specified in these rules may be admitted.

4. (1) The used personal wearing apparel of a passenger, and other articles in the immediate personal use of the passenger, may be allowed free of duty, provided that they are his property, were in his possession abroad, and are imported by him for his own personal use and not for sale, exchange or gift.

Explanation.—"Articles in the immediate personal use of the passenger" means articles which are worn by the person, such as spectacles, hearing aids, and dentures, but shall not include wrist watches and jewellery.

(2) Such instruments, apparatus or appliances, as are specially designed for use in the profession or calling followed by a passenger and which any person following the same profession or calling would usually carry with

APPENDIX 26—*contd.*

him in his professional tour when imported by the passenger as part of his *bona fide* baggage, may be allowed to be imported free of import duty leviable thereon :—

Provided that the instruments, apparatus or appliances :

(i) have been actually used by the passenger before the importation thereof; and

(ii) shall not be sold, exchanged or given away as gift after the importation thereof.

5. In addition to the articles specified in Rule 4, a passenger may also be allowed to import free of duty, at the discretion of the proper officer, articles not exceeding rupees eight hundred in value, provided that the articles are not imported for sale or exchange and are such as could reasonably be treated as baggage or are of a kind normally used for making gifts or souvenirs. In the case of passenger who is coming or returning to India after a stay of not less than 3 months abroad, the value of the articles which can be passed under this rule may be increased by rupees one hundred and sixty for each complete month in excess of 3 months, subject to a maximum of rupees one thousand and six hundred, in all. A passenger shall not be permitted under this Rule to import without payment of duty a large number of units of the same article, even though their total value may be within the free allowance.

Notwithstanding anything contained in the first paragraph of this Rule, a passenger, who visits foreign countries more than once in the same calendar year, may be allowed on the second and subsequent occasions only one-half of the allowance admissible under that paragraph.

The full free allowance under this Rule is not admissible to children or to passengers under eighteen years of age. The proper officer may, however, in his discretion, allow to such a child or passenger articles not exceeding one-fourth of that admissible to an adult passenger coming after the same period abroad.

6. Jewellery in the actual use of a passenger may be allowed free of duty, subject to the following conditions :—

(a) The jewellery is the property of the passenger, was in his possession and use abroad, is imported by him for his own personal use and not for sale, exchange or gift, and will be re-exported with the passenger if he is a temporary visitor to India.

(b) The passenger is coming to India after being abroad for at least one year;

(c) The value of the jewellery does not exceed Rs. 3,200/- :

Provided that the proper Customs Officer may, where he is satisfied by reason of the status of a passenger, allow *bona fide* jewellery in use exceeding Rs. 3,200/- in value to a passenger who is a temporary visitor to India, on taking such steps as he considers necessary to ensure that the jewellery will be re-exported with the passenger;

APPENDIX 26—*contd.*

Provided further that the proper Customs Office may allow free of duty any *bona fide* personal jewellery in use, on being satisfied that it was taken out of India by a passenger not more than 3 years previously; and that the jewellery was and continues to be the property of the said passenger.

NOTE 1.—For purposes of this Rule, the term 'jewellery' shall include not more than one watch, which should be in actual use.

NOTE 2.—The value limits specified in this and the preceding Rule have reference to the real value of the goods, under the Sea Customs Act, 1878.

7. (1) Notwithstanding anything contained in Rule 2, *bona fide* unaccompanied baggage of a passenger landed at any Customs station within two months before his arrival in India may be passed, at the discretion of the proper officer, subject to the conditions and limits laid down in Rules 4 to 6 :

Provided that the Assistant Collector of Customs may, in his discretion, extend the time-limit for the arrival of the passenger upto four months, the Collector of Customs upto six months, and the Central Board of Excise and Customs upto any further time, if the said Assistant Collector, the Collector or the Board, as the case may be, is satisfied that the passenger was prevented by sufficient cause from arriving in India within the aforesaid period of two months.

(2) The proper officer may pass one consignment of *bona fide* unaccompanied baggage arriving in India after the arrival of the passenger, if it was in his possession abroad and was shipped within a fortnight of the passenger's arrival in India.

(3) The Assistant Collector of Customs may pass one consignment of *bona fide* unaccompanied baggage, if it was shipped by sea within two months or otherwise within one month of the passenger's arrival in India, the Collector of Customs may pass any number of consignments of *bona fide* unaccompanied baggage if they were shipped within six months of the passenger's arrival in India, and the Central Board of Excise and Customs may pass any number of consignments of *bona fide* unaccompanied baggage without any such time-limit, provided the said Assistant Collector, the Collector or the Board, as the case may be, is satisfied that—

(a) the passenger could not import his said baggage earlier in spite of his having taken all reasonable steps for its importation; and

(b) the nature of the articles in the said baggage, the status of the passenger and all other attendant circumstances suggest that the articles were in the passenger's possession abroad.

8. Deleted, *vide* Customs Notification No. 38, dated 21-3-70.

9. The Baggage Rules published with the Notification of the Central Board of Revenue No. 296-Customs, dated the 3rd December, 1957, are hereby repealed.

No. 122/*F. No.* 5/1/60-*Cus.VI.*

GOVERNMENT OF INDIA

MINISTRY OF COMMERCE AND INDUSTRY

IMPORT TRADE CONTROL

PUBLIC NOTICE No. 1-ITC(PN)/61

New Delhi, the 2nd January, 1961
(as amended)

Subject :—Import of goods as personal baggage under the Baggage Rules.

Attention is invited to the Central Board of Revenue Notification No. 122 dated the 19th November, 1960 in which the baggage rules for import of goods by passengers from foreign ports other than those in Portuguese possessions in India or in Ceylon or Pakistan have been announced.

2. Under Rule 5 of the said Baggage Rules, a passenger may be allowed to import free of duty, at the discretion of the proper Customs Officer such articles as could reasonably be treated as baggage or are of a kind normally used for making gifts or as souvenirs upto Rs. 800 (eight hundred) upto stay of 3 months abroad. This limit may be increased if the stay of a passenger exceeds 3 months by Rs. 160 (one hundred sixty) for each additional complete month subject to a maximum of Rs. 1,600/- (one thousand six hundred) in all, upto a stay of 8 months abroad. The said Rule 5 further lays down that the passenger shall not be permited under the Rule to import without payment of duty a large number of the same type of the articles even though their value may be within the free allowance. No import licence will be required for the import of the articles within the above limits. A passenger who visits foreign countries more than once in the same calendar year, may be allowed on the second and subsequent occasions only one-half of the above allowance. The full free allowance under this Rule is not admissible to children or to passengers under eighteen years of age. The appropriate Customs authority may, however, in his discretion, allow to such a child or passenger articles not exceeding one-fourth of that admissible to an adult passenger coming after the same period abroad.

3. It has now been decided that passengers who stay out of India continuously for 9 months or more may be allowed to import goods upto an additional value of Rs. 800/- provided those articles are *bona fide* baggage and of the type mentioned in Rules 5 of the said Baggage Rules without an import licence but on payment of Customs duties.

4. The clearance of one dog and other domestic pets like cats and birds in a limited number (excluding cattle horses, elephants, rhinos, camels, donkeys, mules and the like) may be allowed without import Trade Control restrictions on furnishing the following health certificates to the Customs authorities :—

(i) A health certificate from a Veterinary Officer authorised to issue a valid certificate by the Government in the country of export to the effect that the dog imported is free from Aujosky's disease, Distemper Rabies, Leishmaniansis and Leptospirests and in the case of cats from Rabies and Distemper.

APPENDIX 26—*contd.*

(ii) In the case of import of dogs and cats originating from countries where Rabies infection is known to exist, a health certificate containing a record of vaccination, the vaccine used, brew of the vaccine and the name of the production laboratory and to the effect that the dog/cat was vaccinated against Rabies more than one month, but within 12 months prior to actual embarkation with nervous tissue vaccine or within 36 months prior to actual embarkation with chicken embryo vaccine, both vaccines having previously passed satisfactory potency tests.

(iii) In the case of parrots, a certificate to the effect that the parrots were subjected to a compliment fixation test for Psittacosis with negative results within 30 days prior to actual embarkation.

5. The certificates referred to above should be granted within 30 days prior to the date of embarkation of the dog etc.

6. Public Notice No. 83-ITC(PN)/58 of 15th October, 1958 is hereby cancelled.

NOTICE RELATING TO PASSENGERS (NON-TOURIST) BAGGAGE RULES, 1960

This Notice explains the Baggage Rules which will apply to passengers coming or returning to India from 1st January, 1961. Tourists (that is, persons who ordinarily live abroad, and are coming to India for a short stay for pleasure etc.) will be governed by a different set of Rules.

2. Under these Rules, a special provision has been made for a few new articles which may be brought as gifts for other persons or as souvenirs (see para 5 below). Excepting for such articles, the exemptions under the Rules are admissible only for genuine personal effects of the passenger, which must have been in his use and posession abroad. No exemption can be given for any articles which are intended to be sold or exchanged.

3. The personal clothing which is in the actual use of a passenger will be passed free of duty. Similarly, articles like spectacles, hearing aids and artificial teeth, which are habitually worn by persons who are in need of them, will be passed free of duty. For these articles no value limit has been laid down. (This provision will not apply to watches and jewellery for which there is a value limit).

4. Jewellery of value upto Rs. 3,200/-, can be passed free subject to the following important conditions :—

(i) The jewellery must be in the actual use of the passenger. The purchase receipts for the jewellery, where available, should preferably be brought by the passenger.

(ii) The passenger must have been out of India for at least one year.

(iii) No exemption is allowed for jewellery brought for sale, exchange or gift. If the passenger is due to return out of India he must take all the jewellery back with him.

(iv) No Reserve Bank permit is required for the jewellery brought and passed under the Baggage Rules. However, where jewellery in excess of Rs. 3,200/- is to be taken out of India,

APPENDIX 26—*contd.*

a permit from the Reserve Bank will be required. A temporary visitor is not required to take a Reserve Bank permit for the jewellery brought by him or for its subsequent re-export out of India.

(v) Crude jewellery made mainly or wholly of gold will not be passed as baggage but will be treated as gold bullion, the import of which is not allowed without a special permit from the Reserve Bank of India.

N.B.—(a) A passenger returning to India after less than one year abroad, can bring back free of duty any jewellery belonging to him which he had taken out of India. In order that passengers may not find it difficult to satisfy the Customs officers in such cases, they should invariably obtain export certificates for the jewellery at the time of leaving India, unless the jewellery is of small value, *i.e.* less than Rs. 1,600/- in the case of ladies and Rs. 800/- in the case of men.

(b) One wrist watch, in the actual use of the pasenger will be treated as jewellery and will be included in the value limits indicated above.

5. In addition, a passenger can also be allowed free of duty other articles to a limit of Rs. 800/- in value. Such articles should not be imported for sale or exchange, but should be in the nature of baggage or gifts or souvenirs. This concession will be allowed only at the discretion of the Customs authorities, and will be refused if from the nature or quantity of the articles brought it appears that these conditions are not fulfilled. A passenger shall not be permitted under this Rule to import without payment of duty a large number of units of the same article, even though their total value may be within the free allowance.

N.B.—(i) Where a passenger is coming or returning to India after at least three months' stay abroad, the value of Rs. 800 mentioned above may be increased according to the scale shown below :—

Less than 4 months	Rs. 800
4 months or more but less than 5 months ..	Rs. 960
5 months or more but less than 6 months ..	Rs. 1,120
6 months more but less than 7 months	Rs. 1,280
7 months or more but less than 8 months ..	Rs. 1,440
8 months or more	Rs. 1,600

(ii) Notwithstanding anything contained in the first paragraph of this Rule a passenger who visits foreign countries more than once in the same calendar year, may be allowed on the second and subsequent occasions only one half of the allowance admissible under that paragraph.

Articles like refrigerators, airconditioners, typewriters, radiograms or record players, whether new or used, which fall within the prescribed value limit will be passed without a licence. Duty will, however be charged if the value of an individual article exceeds above limits. Motor cycles and scooters can also be imported without an ITC licence if their value falls within the above value limits. Duty will, however, be charged on all motor vehicles including motor cycles and scooter irrespective of their value.

APPENDIX 26—*contd.*

6. The values mentioned in paragraphs 4 and 5 above are the "real values" under the Sea Customs Act and not the market values in India. The real value will ordinarily be approximately equal to the retail price of the article abroad, provided it is the proper price and not a specially reduced one.

7. The allowances mentioned in paragraph 5 above will not automatically apply to children or to any passenger who is less than 18 years of age. Customs officers may, however, allow to such a child or juvenile passenger articles of the kind described in that paragraph, upto a maximum value of one fourth of the limit which applies to an adult passenger coming after the same period abroad. The other conditions laid down in paragraph 5 will continue to apply.

8. Articles which are free of duty as baggage do not require an import licence. Articles of the nature described in paragraph 5 above, which are charged to duty will also be exempted from import licence, provided the total value of all such articles, including those which are passed free of duty, does not exceed the prescribed value limit. In addition, passengers who have stayed out of India for 9 months or more, may be allowed to import on payment of duty, but without an import licence, articles of *bona fide* baggage upto an an additional value of Rs. 800/-. Where the Customs authorities decide that the articles are not *bona fide* baggage or where the goods are in excess of the value limits, an import licence will be necessary. Import licences are not ordinarily issued in such cases, and therefore, passengers bringing such goods will render themselves liable to appropriate action for breach of the regulations.

9. Under the foreign Exchange Regulations, a passenger cannot bring into India Indian currency. Foreign currency may be broght in without limit; but the passenger should make out a written declaration in a form which will be furnished by the Customs authorities. Since it is not possible to give in this notice full details of the rules applicable to the importation of currency, passengers are requested to inform themselves in advance, by a reference to the Reserve Bank authorities, Travel Agents, Tourist Officers or Indian Missions abroad, of the particular regulations applicable in their case.

Special Advice to Outgoing Passengers

Passengers going out of India and taking costly articles belonging to them such as cameras, binoculars, or type-writers etc., should declare such articles before the Customs Officer and obtain an 'export certificate'. No customs duty will be charged on these articles if they are brought back within 3 years, and their ownership has remained unchanged.

Sd/- S. VENKATESAN,
Secretary,
Central Board of Revenue.

APPENDIX 26—*contd.*

TOURIST BAGGAGE RULES

[CUSTOMS NOTIFICATION NO. 225, DATED THE 3RD AUGUST 1958 PUBLISHED IN PART II, SECTION 3(ii) OF THE GAZETTE OF INDIA (EXTRAORDINARY), DATED THE 3RD AUGUST, 1958, AS AMENDED BY CUSTOMS NOTIFICATION NO. 22 OF 2ND FEBRUARY 1963, AND PUBLISHED IN THE GAZETTE OF INDIA ON 2ND FEBRUARY, 1963, AND NOTIFICATION NO. 114—CUSTOMS DATED THE 8TH JUNE, 1966].

CENTRAL BOARD OF REVENUE

In exercise of the powers conferred by section 75 of the Sea Customs Act, 1878 (8 of 1878) as in force in India, the Central Board of Revenue hereby makes the following rules for passing free of import duty baggage landed at Customs Sea Ports by tourists from foreign ports, namely :—

1. *Short title, commencement and application.*—(1) These rules may be called the Tourist Baggage Rules, 1958.

(2) They shall come into force on the 3rd August, 1958.

(3) These rules shall not apply to persons coming from Pakistan.

2. *Interpretation.*—For the purpose of these rules, the term 'tourist' means any person not normally resident in India, who enters India for a stay of not less than twenty-four hours and not more than six months in the course of any twelve-months period, for legitimate non-immigrant purposes such as touring, recreation, sports, health, family reasons, study, religious pilgrimages or business.

3. *Exemption from Customs Duty for personal effects imported temporarily.*—(1) Subject to the other conditions laid down in these rules, the personal effects imported by a tourist shall be allowed to be imported temporarily free of import duty, provided that they are for the personal use of the tourist, are carried on the person of or in the luggage accompanying the tourist, that there is no reason to fear abuse, and that these personal effects are re-exported by the tourist on his leaving India for a foreign destination.

Explanation.—The term "personal effects" means all clothing and other articles new or used which a tourist may personally and reasonably require, taking into account all the circumstances of his visit, but excluding all merchandise imported for commercial purposes, and includes—

(i) personal jewellery;
(ii) one camera with twelve plates or five rolls of film;
(iii) one miniature cinematograph camera with two reels of film;
(iv) one pair of binoculars;
(v) one portable musical instrument;
(vi) one portable gramophone with ten records;
(vii) one portable sound-recording apparatus;
(viii) one portable wireless receiving set;
(ix) one portable typewriter;
(x) one perambulator;

APPENDIX 26—*contd.*

(xi) one tent and other camping equipment;

(xii) sports equipment such as one fishing out-fit, one sporting firearm with fifty cartridges, one non-powered bicycle, one canoe or kayac less than 5½ metres long, one pair of skis, two tennis rackets.

(2) Subject to all the conditions specified in sub-rule (1), such instruments, apparatus or appliances, as are specially designed for use in the profession or calling followed by the tourist and which any person following the same profession or calling would usually carry with him in his professional tour, may be allowed to be imported temporarily free of import duty leviable thereon.

Note.—The instruments, apparatus or appliances must have been actually used by the tourist before the importation thereof.

(3) Subject to the other conditions laid down in these rules, a tourist shall be allowed to import free of Customs duty the following articles for his personal use, provided that these articles are carried on the person of or in the hand luggage accompanying the tourist and there is no reason to fear abuse :—

(i) cigarettes 200, cigars 50, Tobacco 250 grammes;

(ii) one regular size bottle of wine and one quarter litre of spirits;

(iii) one-quarter litre of toilet water, a small quantity of perfume, and medicines in reasonable quantities.

4. *Exemption from Customs Duty for travel souvenirs imported temporarily.*—In addition to the articles specified in rule 3, a tourist may also be allowed to import temporarily free of customs duty travel souvenirs for a total value not exceeding Rs. 800/- provided that such souvenirs are carried on the person of or in the luggage accompanying the tourist, they are not intended for commercial purposes, and they are re-exported by the tourist on his leaving India for a foreign destination.

5. *Undertaking to be given to Customs Authorities in certain cases.*—(1) Notwithstanding the provisions of rules 3 and 4, no article of a high value such as sound-recording apparatus, wireless receiving sets, and the like shall be passed free Customs duty unless the tourist gives an undertaking in writing to the Customs Collector to re-export it out of India on his leaving India for a foreign destination or, on his failure to so re-export to pay up the Customs duty leviable thereon.

(2) Every tourist shall be given on arrival and after the examination of his baggage, a list of articles of high value brought by him signed by the Customs Officer who examines his baggage. If no such article of high value is imported, a nil list, similarly signed shall be given. Unless the list is produced by the tourist to the Customs Officer at the time of examination of his baggage on his departure from India for a foreign destination along with the articles, if any listed therein, his baggage may not be allowed clearance through the Customs for export.

6. *Provision regarding unaccompanied bagage.*—Notwithstanding anything to the contrary in the foregoing rules, bona fide baggage and goods eligible for the concessions under the foregoing provisions and landed at any Customs port within two months before or after the arrival of the tourist

APPENDIX 26—*contd.*

in India, may be passed subject to the condition applicable to baggage accompanying a tourist, provided the Customs Collector is satisfied that they could not be brought along with the tourist due to reasons entirely beyond his control.

7. *Refusal of exemption in certain case.*—Notwithstanding anything contained in these rules the Customs Collector may refuse to a tourist exemptions granted by these rules in any of the following cases namely :—

(a) When the total quantity of a commodity imported by a tourist exceeds substantially the limit laid down in these rules;

(b) where the tourist enters more than once a month;

(c) where the tourist is under 17 years of age.

8. The Tourist Baggage Rules, 1957, and the rules published with the Central Board of Revenue Notification No. 31-Customs, dated the 30th August, 1930, as amended from time to time (for passing free of import duty baggage landed at Customs ports by passengers from foreign ports in Ceylon) in so far as these latter rules relate to matters covered by these rules, are hereby repealed except as respects things done or omitted to be done.

Sd./- M. A. RANGASWAMY,
Secretary, Central Board of Revenue.

No. 225/9/8/57-Cus. VI.

GOVERNMENT OF INDIA

MINISTRY OF FINANCE

(Department of Revenue and Insurance)

New Delhi, the 27th May, 1967.

6th Jyaistha 1889 (Saka)

NOTIFICATION
CUSTOMS

In exercise of the powers conferred by sub-section (2) of Section 79 of the Customs Act, 1962 (52 of 1962), the Central Government hereby makes the following rules for passing free of imports duty, baggage landed at Customs Ports or Air Ports by members of crew engaged in foreign-going vessels, namely :

1. *Short title and commencement.*—(1) These rules may be called the Crew Baggage Rules, 1967.

(2) They shall come into force on 1st June, 1967.

2. Application.—These rules shall apply in respect of baggage of members of the crew engaged in foreign-going vessels other than those vessels for the time being engaged in the carriage of goods/passengers between a port in India and a port of Pakistan, Ceylon, Burma, Malaysia or Singapore and at the time of the termination of such engagement.

3. *Bona fide baggage exempted from duty.*—The *bona fide* baggage of a member of the crew may be exempted from Customs duty upto the extent specified in these rules, where such baggage accompanies the member, does not form part of cargo, is declared in the "private property list" of the

APPENDIX 26—*contd.*

vessels, and, unless the proper officer of Customs in any case otherwise directs, is declared in the proper form.

4. *Used personal wearing apparel etc., exempted from duty*—The used personal wearing apparel of a member of the crew and other articles in the immediate personal use of the member may be allowed free of duty provided that they are his property, were in his possession on board the vessel, and are imported by him for his personal use and not for sale, exchange or gift.

Explanation.—"Articles in the immediate personal use of the member" means articles which are worn by the person such as spectacles, hearing aids and dentures, but shall not include wrist watches and jewellery.

5. *Additional articles exempted from duty.*—(1) In addition to the articles in his immediate personal use, a member of the crew may be allowed to import free of duty, at the discretion of the proper officer, articles not exceeding Rs. 800/- in value provided that the articles are not imported for sale or exchange and are such as could reasonably be treated as baggage or are of a kind normally used for making gifts or souvenirs.

(2) In the case of a member of the crew whose engagement is terminated after a stay not less than three months on board the foreign-going vessels, the value of the articles which can be passed under this rule may be increased by Rs. 160/- for each completed month in excess of three months' stay subject to a maximum of Rs. 1,600/- in all.

(3) No person shall be permitted under this rule to import without payment of duty a large number of units of the same artcile even though their total value may be within the free allowance under these rules.

(4) Notwithstanding anything contained in sub-rule (1) or sub-rule (2), a member of the crew who claims any allowance under these rules more than once in the same calendar year, the allowance on the second and on every subsequent occasion shall be restricted to one half of the allowance that would be admissible to him under these rules, if the claim had been the first to be made in that year.

6. *Personal effects of a deceased member of crew treated as bona fide baggage.*—Notwithstanding anything to the contrary in these rules, *bona fide* baggage shall include the personal effects of a member of the crew who dies on board the vessel, provided that the effects or articles are such as would have been passed free if the deceased had been a member of the crew and his engagement has been terminated in the normal course.

No. 56 No. 5/61/66-Cus.-VI.

Sd/- D. N. LAL,
Deputy Secretary to the Government of India.

GOVERNMENT OF INDIA

MINISTRY OF FINANCE
(DEPARTMENT OF REVENUE & INSURANCE)

NEW DELHI, the 21st June, 1969.

NOTIFICATION
CUSTOMS

In exercise of the powers conferred by section 79 of the Customs Act, 1962 (52 of 1962), and in supersession of the notification of the Govern-

APPENDIX 26—*contd.*

ment of India in the Ministry of Finance (Department of Revenue & Insurance) No. G.S.R. 395 dated the 25th March, 1967, the Central Government hereby makes the following rules, namely :—

Short title.—(1) These rules may be called the Transfer of Residence Rules, 1969.

Personal and household effects exempt from duty subject to certain condition.—(2) Subject to the provisions of the Baggage (Conditions of Exemption) Rules, 1963 and rule 3 of these rules, the personal and household effects of a person on a *bona fide* transfer of residence to India shall be exempted from Customs duty, subject to the fulfilment of the following conditions to the satisfaction of the Assistant Collector of Customs; namely :—

(a) Such person has been residing abroad continuously for a minimum period of two years immediately preceding the transfer of residence;

(b) Such person is transferring his residence to India for a minimum stay of one year;

(c) Such person certifies that the goods have been in his or his family's ownership and use for not less than one year and examination of the goods and other attendant circumstances bears this out.

(d) The goods in respect of which exemption is claimed are imported for such person's or his family's a personal or household use and not for sale, exchange or for being given away to any other person;

(e) The goods are imported within the time limit fixed under any rule made or deemed to have been made under section 79 of the said Act.

3. *Goods not exempt.*—Goods specified in Schedule 1 annexed hereto shall not be exempt in any case, and goods specified in Schedule II annexed hereto shall be exempt only in the case of persons who transfer their residence to India after a period of not less than three years' continuous stay abroad.

4. *Condonation of short visits.*—For the purposes of rule 2 and 3, short visits, if any, paid by the person concerned to India during the aforesaid period of two years or three years, as the case may be, shall be ignored if the total duration of stay on these visits to India does not exceed six months and the exemption admissible under these rules has not been claimed or availed if in any of the aforesaid visits :

Provided that on sufficient cause being shown by the person concerned, the Central Board of Excise and Customs may direct that such short visits shall be ignored, even if the total duration of stay in India on such visits exceeds six months.

APPENDIX 26—*contd.*

Schedule I

(1) Motor cars, motor cycles, other motor vehicles, vessels, and aircrafts.

(2) Ammunition.

(3) Cinematograph films of 16 mm and above, and

(4) Consumable stores.

Schedule II

(1) Fire arms.

(2) T. V. set.

(3) Air conditioner.

(4) Refrigerator.

(5) Cooking range.

(6) Washing machines.

(7) Radio—Gramophone.

(8) Stereo Record Changer.

(9) Stereo Tape Recorder and Tape Recorder with three or more speeds.

(10) Radio (including transistor radio) with six or more wave bands.

(11) Movie camera.

(12) Movie Projector.

(13) Still Camera with interchangable lens or camera the purchase price of which, when new, exceeds Rs. 500/- (excluding purchase & Sales tax).

Sd/- (M. G. ABROL)
Joint Secretary to the Government of India.

No. 98 F. N. 7/40/69-Cus.VI

APPENDIX 27

(Reference para 278 of Chapter XIV)

Import of built-up cars, station wagons, jeeps, motor cycles, scooters auto cycles, mini cars, mopeds.

Indian nationals returning to India for permanent settlement.

1. Applications for the grant of Customs Clearance Permits are considered from Indian nationals returning to India for permanent settlement in this country, provided they fulfil the following conditions :—

(i) The period of continuous stay of the applicant abroad is not less than one year.

(ii) The car etc., sought to be imported has been in possession and use of the applicant for a period of not less than three months prior to his departure for India.

(iii) The car etc., to be imported has been purchased by the applicant out of his own earnings abroad.

(iv) The applicant has not drawn any foreign exchange from India for a period of two years preceding the date of his departure for India.

(v) The c.i.f. value of the car shall not exceed Rs. 29,000. For the purpose of calculating c.i.f. value, the ex-factory price of the car plus the insurance and freight charges shall be taken into account. No depreciation is admissible on account of the age of the car.

2. Applications for Customs Clearance Permits should be made to the Chief Controller of Imports & Exports, New Delhi in the application form given in Annexure I. It should be supported by the necessary documentary evidence and a treasury challan for Rs. 50/- towards application fees on the value applied for. The applicant should produce the following documents:—

(i) An affidavit duly counter-signed by a representative of the Government of India or Indian Embassy or India's High Commission abroad or a certificate issued by any of these authorities to show that the applicant is returning to India for permanent settlement. In the case of persons returning from the United Kingdom, an affidavit duly counter-signed by a Notary Public will also be accepted.

(ii) Photostat copies of the purchase invoice and the registration certificate of the car etc., to be imported.

(iii) Statement of earnings abroad duly certified by the employer(s) or income-tax returns.

3. *Conditions applicable to Customs Clearance Permits.*

(1) The Customs Clearance Permits issued in terms of these provisions will be subject to the following conditions *inter alia* :—

APPENDIX 27—*contd.*

(i) The licensee shall not sell, pledge, mortgage, hypothecate or part with possession of the car except with the prior permission of the licensing authority in writing. The sale, if permitted, shall be effected by the licensee to such person or agency, within such time, at such price, and in such manner as may be specified by the licensing authority.

NOTE.—In case of motor cycles, scooters, auto cycles and moped, the period of "no sale" will be five years from the date of initial registration and three years from date of importation, whichever is later.

(ii) The licensee shall produce evidence to show that the car, etc., in his possession and ownership, whenever such evidence is demanded by the Chief Controller of Imports & Exports or any other licensing authority.

(iii) The car will not be sold for seven years from the date of its first registration abroad or five years from the date of importation, whichever is later.

(iv) Before the clearance of the car, etc. the licensee will execute a bond with the Jt./Dy. Chief Controller of Imports and Exports at the port of import in the prescribed form in favour of the President of India undertaking to fulfil the conditions imposed on the C.C.P. The bond shall be supported by a guarantee of a scheduled bank/insurance company for a period of six years initially and the licensee shall undertake to get it renewed for such further period as the licensing authority may require one year before the expiry of the period of the six years.

(2) The bond for the fulfilment of the conditions imposed on the C.C.P. should be executed by the licensee in the form given in Annexure II.

NOTE.—Foreign nationals of Indian origin coming to India for good, will be treated as Indian nationals for the purpose of allowing import of vehicles.

Foreign Nationals coming to India for an assignment for a minimum period of one year.

4. Applications for the grant of Customs Clearance Permits are considered from foreign nationals coming to India for taking up an assignment for a minimum period of one year, provided the car etc. sought to be imported has been in the ownership and use of the applicant, or his wife, or her husband, as the case may be, prior to his/her departure for India. In either case, however, if the import is allowed, the car etc. on its arrival in India, will have to be registered in the names of the applicant.

APPENDIX 27—*contd.*

(5) (i) Applications for the grant of Customs Clearance Permits should be made to the Chief Controller of Imports & Exports, New Delhi, through the employer in India with whom the applicant is taking up an assignment. The application should be made in the form given in Annexure III. It should be supported by photostat copies of the purchase invoice and the registration certificate pertaining to the car etc. to be imported and a treasury challan for Rs. 50/- towards application fees on the value applied for. While forwarding the application to the Chief Controller of imports & Exports, New Delhi, the employer concerned should append a certificate indicating the particulars and the period of assignment offered to the applicant in India.

(ii) In the case of accredited journalists or correspondents or news agencies, the applications for Customs Clearance Permits should be made to the Chief Controller of Imports & Exports, New Delhi through the Press Information Bureau, Govt. of India, New Delhi. It should also be supported by a letter, in original from their principals to the effect that the applicant is their accredited correspondent, etc.

(iii) The c.i.f. value of the car shall not exceed Rs. 29,000. For the purpose of calculating c.i.f. value, the ex-factory price of the car plus insurance and freight charges shall be taken into account. No. depreciation is admissible on account of the age of the car.

6. *Conditions applicable to C.C.Ps.*—

(1) The Customs Clearance Permits issued to foreign nationals under these provisions will be subject to the following conditions *inter alia* :—

(i) The car etc., shall be re-exported when the importer leaves India or when it is no longer required. While in India, the importer shall not sell, pledge, mortgage, hypothecate or part with the possession of the car without the prior permission of the licensing authority in writing.

(ii) The importer shall produce evidence to show that the car is in his possession and ownership, whenever such evidence is demanded by the Chief Controller of Imports & Exports, New Delhi or any other licensing authority.

(iii) Before the clearance of the car, etc., the licensee shall execute a bond with the Joint/Deputy Chief Controller of Imports & Exports at the port of importation, in the form prescribed by the licensing authority, undertaking to fulfil the conditions imposed on the C.C.P. The bond shall be supported by a guarantee of a scheduled bank or an insurance company for an amount equal to the c.i.f. value of the car etc. The bond shall be valid for a period of six years initially and the licensee shall undertake to get it renewed for such further period as the licensing authority may require one year before the expiry of the period of the six years.

(iv) Notwithstanding what has been stated in (i) above, the licensee will also have the option to sell the car etc., in India to another foreign national, provided (a) the buyer is eligible to the import of a car etc., under these provisions; (b) the price of

APPENDIX 27—*contd.*

the car etc., is paid by the buyer from his personal funds abroad without in any way, involving remittance of foreign exchange from India; and (c) the buyer undertakes to abide by the same condition subject to which the import has been allowed. The buyer shall be required to execute a bond undertaking to fulfil the conditions with the same licensing authority and in the same manner as the bond executed by the original importer. The bond should also be counter-signed by the employer with whom the buyer is employed. (This facility of transfer will also be available to the first transferee and subsequent transferee, and the concerned port licensing authorities may directly be approached for this purpose.)

(2) The bond for the fulfilment of the conditions imposed on the Customs Clearance Permit should be executed in the form given in Annexure II.

(3) In the case of foreign expert coming to India under various Aid Programmes, the applicant will be required to give an undertaking for the fulfilment of conditions of the C.C.P., in lieu of the bond referred to above. The undertaking should be duly countersigned by a Diplomatic or Trade Representative in India of the foreign country concerned.

(4) In the case of non-diplomatic and home-based staff of foreign Diplomatic/Consular/Trade Missions in India also, the applicant should give an undertaking for the fulfilment of the condition of the C.C.P., *in lieu* of the bond referred to above. The undertaking should be duly guaranteed by the Head of the Mission concerned.

NOTE.—Foreign Nationals of Indian origin coming to India for specific assignment will be treated as foreign nationals for the purpose of allowing import of vehicles as baggage.

Banks, Companies and Institutions incorporated abroad.

7. Applications for the grant of customs clearance permits for the import of built-up cars or station-wagons are considered from banks, companies or institutions incorporated abroad and operating through branches in India, provided the applicant pays the Customs duty leviable thereon in foreign exchange. Applications will ordinarily be considered for the import of one car or station-wagon only; or at the most for two, if they have more than one branch in India and a large number of foreign nationals are employed by them who have not imported their own cars. A relaxation may, however, be made in the case of airways companies, in consultation with the Department of Civil Aviation, Government of India, New Delhi.

8. Applications for customs clearance permits in such cases should be made to the Chief Controller of Imports & Exports, New Delhi, in the form given in Annexure IV. It should be supported by necessary documentary evidence and a treasury challan for Rs. 50/- towards the payment of application fees on the value applied for. If the application is for the import of more than one car or station-wagon and the value applied for

APPENDIX 27—*concld.*

exceeds Rs. 50,000/- the amount of application fee should be, in accordance with the prescribed schedule of fees. The applicant should produce the following documentary evidence :—

(i) Photostat copy of the purchase invoice pertaining to the car, etc., sought to be imported; and

(ii) A letter from the Principal abroad to the effect that the car, etc., will be or has been paid for from the Principal's own resources abroad and will not involve any remittance from India; and that the customs duty in respect of the car, etc., to be imported will be paid in foreign exchange.

9. *Conditions applicable to C.C.Ps.*—The conditions applicable to the C.C.Ps. issued to foreign nationals, as stated in sub-paragraph 6(1) will also be applicable to the C.C.Ps. issued to banks or companies or institutions under these provisions, subject to such modifications as may be necessary in the circumstances of the case.

NOTE.—The c.i.f. value of the car shall not exceed Rs. 29,000. For the purpose of calculating c.i.f. value, the ex-factory price of the car plus the insurance and freight charges shall be taken into account. No depreciation is admissible on account of the age of the car.

10. Cases not covered by the above provisions will be dealt with in accordance with the rules and regulations in force from time to time.

ANNEXURE I TO APPENDIX 27

Application form for an Import Trade Control licence to import a built-up car, station wagon, jeep, mini car or motor cycle, scooter, auto cycle by an *Indian National* returning to India for permanent settlement.

1. Name of the applicant.
2. Nationality.
3. Designation
4. Full address abroad.
5. Full address in India.
6. Purpose of visit abroad.
7. Duration and continuous stay (without break) abroad.
8. Proposed date of leaving for India and arrival in India.
9. Likely period of stay in India.
10. Make and model of the vehicle with c.i.f. value.
11. Date of purchase.
(In the case of vehicles acquired on hire purchase, the date of final acquisition of the vehicle.)
12. Date of registration and period of ownership and use.
13. Manner in which foreign exchange was found for purchase of vehicle.
14. Foreign exchanges taken/drawn under permission from Reserve Bank of India with actual date of drawal for purchase of car or otherwise :
    (a) Basic quota :—
    (b) Special quota :—
15. Total amount of foreign exchange remitted to India, if any, with details.
16. Purpose for which the car was needed abroad and is needed in India.
17. Whether applicant, his wife/husband or dependents has already imported a car, or any other vehicle into India previously. If so, give particulars of the

ANNEXURE I TO APPENDIX 27

same, mentioning import licence number and date.

18. Whether an application for import of car etc., was made previously and if so, with what result? C.C.I. & E's reference should be quoted.

19. Whether a treasury receipt for the requisite amount as application fee is enclosed? Indicate amount.

20. Proposed date of shipment of car and the port of disembarkation.

21. Documents to be enclosed to the application.

(a) Photostat copy of the purchase invoice/receipt.

(b) Photostat copy of the registration certificate.

(c) Statement of earnings abroad duly certified by the employers or bankers, or production of Income-tax returns.

(d) Banker's certificate of repatriation of foreign exchange from abroad, if any.

(e) An affidavit on a stamp paper about returning to India for permanent settlement duly counter-signed by a representative of a High Commission, or Embassy of India or a Notary Public in India.

(f) A treasury receipt for the requisite amount.

I/We hereby declare that the above statements are correct. I/We fully understand that any licence granted to me/us on the basis of the statements furnished is liable to cancellation without prejudice to any other action that may be taken under the law, if it is found that any of the statements or part thereof is incorrect.

(Signature)

Place & date.

ANNEXURE II TO APPENDIX 27

SPECIMEN BOND FORM TO BE EXECUTED BY IMPORTERS OF CARS ETC. AS PERSONAL BAGGAGE

KNOW ALL MEN BY THESE PRESENTS that We (1)..... .....of ..... (hereinafter called the importer' which expression shall where the context so admits include his/their/respective heirs, executors, administrators and legal representatives/successors and permitted assigns) and (2)..... of..... (hereinafter called 'the surety' which expression shall where the context so admits include his/their respective heirs, executors, administrators and legal representatives/successors and permitted assigns) are held and firmly bound jointly and severally unto the President of India to pay to the President of India through the Joint/Deputy Chief Controller of Imports and Exports.... for the time being on demand and without demur the sum of Rs. ..... for which payment will and truly to be made we bind ourselves firmly by these presents.

Dated this the ..... day of ....., 197 . Whereas the Joint/Deputy Chief Controller of Imports & Exports, Government of India, ... (hereinafter referred to as the said Joint/Dy. Chief Controller of Imports & Exports which expression shall include the person for the time being performing the duties of the Joint/Dy. Chief Controller of Imports & Exports.....) has permitted clearance of ..... more fully described in the Schedule hereunder written imported in India by the importer.

Now the conditions of the above written bond are such that :—

1. If the said importer re-exports the car at the time of his departure from this country or had taken prior permission of I.T.C. authority for leaving the car in India while proceeding abroad for a period exceeding six months.

and

2. If the said importer shall not sell, pledge, mortage, hypothecate or part with the possession of the said car or otherwise dispose of the car,

then the above written bond shall be void and of no effect otherwise the same shall be and remain in full force and virtue. And it is hereby fully agreed and declared between the parties as follows :—

(a) That the above written bond shall remain in full force and effect for a period of ..... years from the date of importation of the said ..... and shall be deemed to be renewed for such further period as the Joint/Dy. Chief Controller of Imports & Exports may require before the expiry of the said period;

(b) Any forbearance act or omission on the part of the President of India to enforce the bond against the importer (whether with or without the

ANNEXURE II TO APPENDIX 27—*concld.*

knowledge or consent of the surety) shall not in any way release the said surety from his liability under the above written bond;

(c) That this bond is entered into under the orders of the Central Government for the performance of an act in which the public are interested;

(d) The importer shall produce evidence that the car is in his possession and ownership whenever demanded by the Chief Controller of Imports and Exports or any licensing authority; and

(e) The importer shall not leave the car in India while going abroad except on short visits for which permission from the licensing authorities shall be obtained for leaving the car with his close relations.

(f) Any breach of terms and conditions of this bond will render the importer liable to penalties as provided under the Imports (Control) Order, 1955, as amended over and above his liability for payment of the amount of the bond.

SCHEDULE OF GOODS FOR CLEARANCE

AS WITNESS THE hands of parties the..... ...
day of ....., 19....
Signed by the above named
importer in the presence
of.....
Signed by the above named
surety in the presence
of .....
Accepted by ..... .
for and on behalf of the
President of India.

ANNEXURE III TO APPENDIX 27

Application form for an Import Trade Control licence to import a built-up car, station wagon, jeep, mini car or motor cycles, scooter, auto cycle by a *Foreign National* coming from Abroad.

1. Name of the applicant.
2. Nationality.
   (i) Foreign National
   (ii) Foreign national of Indian origin.
3. Designation.
4. Full address abroad.
5. Purpose of visit out of India.
6. Duration of last stay out of India.
7. Full address in India.
8. Make and model of vehicle with c.i.f. value.
9. Date of purchase and date of registration in the name of the applicant.
10. Period of ownership and use.
11. Manner in which foreign exchange was found for purchase of the vehicle.
12. Likely period of stay in India.
13. Full particulars of the purpose of stay in India and period of assignment in India.
14. Purpose for which the car is needed in India.
15. Whether the applicant/his wife/her husband or dependent has already imported or got on transfer an imported vehicle from another foreign national, during preceding ten years. If so give particulars of cars etc., and import licence number & date.
16. Whether an application for import of car etc. was made previously and, if so, with what result? C.C.I. & E's reference should be quoted.

ANNEXURE III TO APPENDIX 27—*concld.*

17. Proposed date of leaving for India and arrival

18. Proposed date of shipment of vehicle and the port of dis-embarkation.

19. Whether a treasury receipt for the requisite amount as application fee is enclosed ? Indicate amount.

20. Documents to be enclosed to the application :

(a) Photostat copy of the purchase invoice/receipt.

(b) Photostat copy of the registration certificate.

(c) A certificate from the employer in India giving particulars and period of assignment in India.

(d) A treasury receipt for the requisite amount.

I/We hereby declare that the above statements are correct. I/We fully understand that any licence granted to me/us on the basis of the statements furnished is liable to cancellation without prejudice to any other action that may be taken under the law, if it is found that any of the statements or part thereof is incorrect.

Place

Date

(Signature)

ANNEXURE IV TO APPENDIX 27

APPLICATION FORM FOR IMPORT OF CARS BY :

1. Companies which are wholly foreign corporate entities and are operating through branches in India.
2. Foreign banks.
3. Institutions of foreign origin, wholly financed in foreign exchange.
4. Whole time resident representatives of category 1.
5. Correspondents of foreign newspapers or news-agencies getting pay in foreign exchange.

---

1. Name of the applicant :—
   (a) Nationality.
   (Applicable for Categories 4 & 5 only).
   (b) Designation.
2. Full registered address abroad.
3. Full registered address in India.
4. Nature of business.
5. Make and model of vehicle with c.i.f. value.
6. Manner in which foreign exchange was found for purchase of vehicle.
7. Purpose for which the car is needed.
8. No. of branches with their addresses in India.
9. No. of foreign technicians and number of those who are in possession of either foreign car imported or transferred in their name; or indigenous cars secured on priority allotment. (Applicable to categories 1 to 3 only).
10. Details of import of cars, if any, imported or obtained in transfer from a foreign national during the last ten years, including vehicles imported by branches, in the case of foreign banks/foreign companies/foreign institutions.
11. Proposed date of shipment of car and the port of clearance.

ANNEXURE III TO APPENDIX 27—*concld.*

12. Whether an application for import of car was made previously; and if so, with what result? C.C.I. & E's reference should be quoted.

13. Documents to be enclosed :—

(a) Principal's/employer's letter offering to provide the car, etc., and to make payment of duty in foreign exchange.

(b) Photostat copy of the purchase invoice/receipt.

(c) A treasury receipt for the requisite amount.

I/We hereby declare that the above statements are correct. I/We fully understand that any licence granted to me/us on the basis of the statements furnished is liable to cancellation without prejudice to any other action that may be taken under the law, if it is found that any of the statements or part thereof is incorrect.

Place : .....

(Signature)

Date :

APPENDIX 28

(Para 296 of Chapter XVI)

(A)

Form of Bond for Clearance of Restricted Goods

Know all men by these presents that whereas the Collector of Customs... .....hereinafter referred to as the 'said Collector' which expression shall include the person for the time being performing the duties of the Collector of Customs....., has permitted the clearance of the goods in the schedule hereunder written, We (1) .....(importers) (2) ..... (surety) do hereby bind ourselves and each of such and each of our heirs, executors, administrators and legal representatives, jointly and severally with the President of India to pay the said Collector for the time being the sum of Rs. .....subject to the conditions written herein below :—

Now the conditions of the above written bond are such that if the said (1).....(importers), their heirs and representatives shall deliver or cause to be delivered to the said Collector within one month from the date hereof the import licence referred to in the Schedule to cover the goods referred to in the schedule or if the said..... (importers), their heirs or representatives or any of them shall in lieu of the delivery of such licence upon demand by the said Collector pay or cause to be paid to him on behalf of the President of India the sum of Rs....., then the above written bond shall be void and of no effect, otherwise the bond will be and remain in full force and virtue, and it is hereby declared that :—

(a) Any forbearance on the part of the President or any other officer shall not in any way release the said surety, his heirs and representatives from his or their liability under the above written bond; and

(b) that this bond is entered into under the orders of the Central Government for the performance of the act in which the public are interested;

Schedule of goods cleared

No. date	Description of goods	Quantity	Country of orign	Port of Shipment	Value of Goods.
(1)	(Importers)		(2)	(Surety)	

Signed, sealed and delivered by the above named in the presence of :
Witness.....

Accepted for and on behalf of
the President of India :

Assistant Collector of Customs.

APPENDIX 28—*concld.*

(B)

Form of Letter of Guarantee

In consideration of the Collector of Customs allowing us..... (importers) to clear the undermentioned goods without production of the original import licence mentioned below, we hereby undertake to produce within one month from this date the said original licence already granted to us by Government to cover *inter alia* the undermentioned goods imported by us being licence no..... date ..... which has been sent by us to the Chief Controller of Imports, New Delhi/Collector of Customs, ... for revalidation/clearance of other goods covered by the said licence.

Bill of entry No. & date	Description of goods	Supplier's name	Quantity	Country of origin	Part of Shipment & date	Value of goods

In the event of our failure to produce the original licence within the period specified above or within such extended time as the Collector of Customs ..... may in his absolute discretion allow (and in this respect time shall be the essence of arrangement), we ..... (importers) hereby agree to pay to the President of India the sum of Rs. ..... whenever called upon to do so together with such penalty as may be imposed on us by the Customs authorities in respect of the above-mentioned goods. And We,.....(surety) guarantee to the President of India due payment of the said sum of Rs. ..... and the said penalty so to be imposed as aforesaid. And is agreed and declared that :

(a) Any forbearance or indulgence to the importer on the part of the President of India or any officer of Government shall not in any way release the said..... (surety) their heirs, or successors or legal representatives from their liability under this agreement; and

(b) This agreement is entered into under the order of the Central Government for the performance of an act in which the Public are interested.

Signature of Importer.....

Dated

Signature of Surety.....

Accepted for and on behalf of the President of India.

Assistant Collector of Customs.

APPENDIX 29

(Para 305 of Chapter XVII)

Copy of Ministry of Commerce Public Notice No. 60-ITC (PN)/50 dt. 21-7-1950

SUBJECT :—*Clearance of merchandise financed by Exchange Banks in India in the event of licence holders not having honoured the bills drawn under confirmed letters of credit.*

It has been represented by certain Banks' Associations that in the event of a negotiation under a confirmed irrevocable letter of credit being dishonoured by the drawee, the Bank has to implement its undertaking under the credit to remit the foreign exchange in payment. But in the absence of a valid import licence made out in its own name, it is unable to clear the goods from the Customs.

2. In order to avoid this difficulty it has been decided that all licences will hereafter be issued subject to the following condition which will be endorsed on the licence :—

> "It is a condition of this licence that where an irrevocable letter of credit is opened by the holder of the licence to finance the import of any goods covered thereby, then the authorised dealer in foreign exchange through whom the credit is opened shall be deemed to be a joint holder of this licence to the extent of the goods covered by the credit."

3. The effect of the endorsement will be that where letters of credit have been opened against a valid import licence and on arrival of the goods, the licence holder does not honour the bills drawn against the letter of credit and does not produce the licence for the clearance of the goods, the Bank which has opened the letter of credit will nevertheless be able to clear the goods through the Customs and remit foreign exchange to the foreign suppliers in whose favour the credit was opened, by debit to the licence in question.

4. In this respect the following procedure will be observed with immediate effect :—

(i) The Banks clearing the goods in such cases will provide the Customs with certificates to the effect that the import has been made and that foreign currency has been remitted by the Bank or its agents under the authority of a valid import licence and a confirmed irrevocable letter of credit.

(ii) They will also produce the exchange control copy of the licence, or if this is not available, they will furnish full particulars of the licence and of the licensee.

(iii) At the time of clearance, the value of the goods will be debited to the licensee concerned in the licence Register maintained by the Custom House with an indication that clearance has been effected by the Bank. If and when the Customs copy of the import licence is produced subsequently by the original licensee,

APPENDIX 29—*concld.*

the fact that some of the goods falling under the licence have already been cleared, will become immediately apparent and the Customs House will then endorse the necessary debit on the licence itself.

(iv) To ensure that the Customs copy of the Import Licence is not utilised at some other port, intimation of such clearances by banks will be sent by the Customs to all other ports giving the balance for which the licence is valid.

APPENDIX 30

(Para 319 of Chapter XVII)

Interview Slip..... *Serial No*.....

1. Name and address of the applicant. .....
2. Name of representative with designation and his connection with the firm. .....
3. Officer to be interviewed. .....
4. Date of desired interview. .....
5. Number and date of :— .....
   (a) Application. .....
   (b) Acknowledgement, and .....
   (c) any subsequent communication received and replied. .....
6. (a) Category of application. .....
   (b) Brief description of goods. .....
   (c) Part and Serial No. of I.T.C. .....
   (d) C.I.F. value. .....
   (e) Industry to which application pertains. .....
7. No. and date under which the application is forwarded/recommended by any other authority. .....
8. Brief resume of points for discussion (use reverse of form, if necessary). .....
9. Whether any officer was interviewed for this case; or position obtained ? If so, when ? .....

   Interview timings. .....

Signature and status of the representative
Residential Address.....
Telephone No.....

Remarks of the Enquiry Officer :

APPENDIX 30—*Concld.*

N.B.—Separate form should be used for each application.

COUNTERFOIL

S. No. . . . . *Date-stamp*

1. Name of applicant.
2. Name of the representative.
3. Officer to be interviewed.
4. Date and time of interview.

Signature of Enquiry Officer

APPENDIX 31

(Para 322 of Chapter XVII)

Conditions of licences

Import licences are under the provisions of the Imports (Control) Order, 1955 dated the 7th December 1955, as amended.

2. The licences issued under the aforesaid Order are subject to such conditions as may be imposed by the licensing authority while issuing the licence, or which may otherwise be applicable to the licence, under clause 5 of the Order.

3. The following shall be deemed to be the conditions of every licence issued under the said Order :—

(i) no person shall transfer and no person shall acquire by transfer any licence issued by the licensing authority except under and in accordance with the written permission of the authority which granted the licence or of any other person empowered in this behalf by such authority.

(ii) that the goods for the import of which a licence is granted shall be the property of the licensee at the time of import and and thereafter upto the time of clearance through Customs.

Provided that the conditions under items (i) and (ii) of this sub-clause shall not apply in relation to licences issued to the State Trading Corporation of India, the Minerals and Metals Trading Corporation of India and other similar institutions or agencies owned or controlled by the Government.

(iii) the goods for the import, of which a licence is granted shall be new goods unless otherwise stated in the licence.

4. The following conditions shall also apply to every import licence :—

(a) Where an irrevocable letter of credit is opened by the holder of the licence to finance the import of any goods covered thereby, then the authorised dealer in foreign exchange, through whom the credit is opened, shall be deemed to be a joint holder of the licence to the extent of the goods covered by the credit.

(b) payments authorised to be made against the licence shall not cover any commission, discount, or like rebates allowed by the foreign suppliers/manufacturers to the importers/agents.

Conditions regarding use or disposal of imported goods

5. Import licences issued to actual users shall be subject to the condition that the licensee shall use the material imported thereunder only for the purpose for which the licence has been issued and no portion thereof

APPENDIX 31—*contd.*

shall be sold, disposed of or utilised in any other manner without the written permission of the licensing authority.

6. Import licences for raw materials, components and spares shall be subject to the following condition *inter alia* :—

"This licence is issued subject to the condition that all items of goods imported under it shall be used only in the licence holder's factory at the address shown in the application against which the licence is issued; and for the purpose for which the licence is issued, or may be processed in the factory of another manufacturing unit, but no portion thereof shall be sold to any party or utilised or permitted to be utilised in any other manner. The goods so processed in another factory shall, however, be utilised in the manufacturing process undertaken by the licensee. The licensee shall maintain a proper account of consumption and utilization of the goods imported against the licence in the prescribed manner and produce such accounts to the licensing authority, sponsoring authority or any other concerned authority within such time as may be specified by such authority."

7. Import licences issued to actual users under the import policy for Registered Exporters shall also be subject to the condition indicated in paragraph 6 above, except where otherwise provided on the licence.

8. C.G./HEP licences, i.e., those issued to actual users for import of capital goods, machinery, heavy electrical plant or machine tools shall be subject to the following conditions *inter alia* :—

(a) the goods imported under the licence shall be utilised in the licence holder's factory at the address shown in the application against which the licence is issued, and for the purpose for which the licence is issued; and that no portion thereof shall be sold to or be permitted to be utilised by any other party or pledged with any financer other than Banks authorised to deal in the foreign exchange and State Financial Corporation, provided that particulars of goods to be pledged are reported by the licensee in advance to the licensing authority.

(b) The import of spare parts against this licence shall be governed by the provisions of paragraph 152 of the Import Trade Control Hand Book of Rules and Procedure in force at the time of shipment of the goods.

(c) The goods covered by this licence shall be used only for the manufacture of ..... [name of end product(s)] and for the capacity licensed under the Industries (Dev. & Reg.) Act, 1951 or approved by Government.

(d) a half yearly return in the prescribed proforma* shall be furnished by the licencee to the Director of Statistics, Office of the Chief Controller of Imports & Exports, New Delhi, indicating the actual imports and remittance made against the licence as on 28th February and 31st August each year. The return for each half year shall be furnished within a period of 15 days from the close of the half year as indicated.

*(The prescribed proforma is given in Appendix 22).

APPENDIX 31—*concld.*

9. Import licences to actual users for machine tools shall also be subject to the following condition :—

> "This licence is issued subject to the condition that the particulars of goods, i.e., machine tools, imported under it shall be furnished by the licensee to the Customs authorities in the prescribed proforma along with bill of entry at the time of clearance of goods".

The proforma prescribed for this purpose is given in Appendix 23.

Conditions regarding limiting factor

10. Import licences for raw materials, components and spares issued to actual users, including those under the import policy for Registered Exporters, shall be subject to 'value' as limiting factor. The licensee may import any item(s) covered by his licence, without any limit of quantity or value, provided the total import does not exceed the overall face value of the licence. However, if in respect of any item(s) covered by the licence, a face value restriction, or value limit, or quantity limit, has been indicated in the licence or made applicable, the licensee can import such item(s) more in value or quantity, as the case may be, not exceeding 10 per cent of the specified value limit, or quantity limit, or face value restriction, provided the total import does not exceed the overall face value of the licence.

11. Import licences issued to actual users for import of capital goods, machinery and equipment shall be subject to both 'quantity' and 'value' as limiting factor. It shall not be open to a licensee to import goods in excess of the quantity indicated against the items covered by the licence.

Other conditions

12. Import licences shall be subject to such other condition(s) as may be imposed by the licensing authority, or which may be applicable to a licence under the relevant import policy.

APPENDIX 32

(Paragraph 98 of chapter IV)

Proforma to be attached to the Application Form 'E' for the import of proto-types of Machinery/Instruments by Actual Users.

(To be filled in by the applicant for use in the licensing office).

1. Name with full postal address of the applicant :

2. Reference number and date of the letter/application with which this proforma is attached :

3. Main description of the proto-types of machinery/ instruments with quantity thereof.

4. Serial No. and Part of the I.T.C. Schedule under which the proto-types of machinery/instruments will be covered.

5. Whether the applicant unit is already in production of the type of machinery/instrument for which proto-type is required; and if so :

   (i) Whether the plant and capital machinery for manufacturing purposes is already installed ? If not—

   (ii) Whether C.G. application for import of capital machinery or other items has been made in accordance with the regulation of C.G. Scheme published from time to time ? If so;

   (iii) Whether the scheme for manufacture of the items (for which proto-type is required) has been approved and necessary C.G. import licence granted and/or necessary capital plant imported ? If so, please give full particulars thereof alongwith numbers of import licences granted, etc.

   (iv) Whether firm orders have been placed for procurement of indigenous capital machinery.

6. Is the item of the proto-type of the machinery/ instrument, required to be tested and approved by some competent authority before taking up the manufacture of that type of item ?

7. Will the manufacture of the item for which proto-type is required involve any additional import of capital machinery/raw materials components (in the case of existing units already in production) ? If so, give full details with quantity and c.i.f. value on annual basis.

APPENDIX 32—*concld.*

8. Whether the import of proto-types will involve grant of foreign exchange or will be provided by the foreign suppliers free of charges on c.i.f. basis. Please enclose Proforma invoice on c.i.f. basis from the foreign suppliers.

9. Whether the manufacture of items for which the imported proto-type is required will involve any financial/technical foreign collaboration? If so, whether approval of the Government for entering into such collaboration has been obtained (Please attach photo/attested copies of approval letter of the Government in this regard).

I/We hereby declare that (a) the items of proto-types of machinery/instrument applied for import *vide* column 3 of the above proforma will not be used for manufacturing purposes except as proto-types, (b) the items of imported proto-types will not be sold, hired out or disposed of otherwise without the prior written permission of the licensing authority; and (c) the items of imported proto-types will always be available for examination in our manufacturing works at..... in assembled or broken down condition, whatever it may be.

Signature .....

Name in block Letters.....

.....

.....

Designation .....

Residential address.....

.....

.....

Station.....

Date.....

APPENDIX 33

(Para 119 of Chapter V and Para 324 of Chapter XVII)

Specimen Bond Form

If the importer/surety is the sole proprietor of the business after giving his name and address it may be added, "his heirs, executors and administrators"

Know All Men by these presents that we (1) of (hereinafter referred to as "the importers") which expression shall include his/their successors and assigns and (2)

If the importer/surety is a firm of partnership, it may be added "partners for the time being of the said firm and the survivors of firm and their respective heirs, executors and administrators."

of (hereinafter referred to as "the surety") which expression shall unless excluded by or repugnant to the context, include its successors and assigns are jointly and severally held and firmly bound unto the President of India hereinafter called "the Government") in the sum of Rs. to be paid to the said Government or its successors and assigns for which payment we bind ourselves and each of us and each of our heirs, executors, administrators, successors and assigns (strike out the words which are not applicable) jointly and severally by these presents dated this date of

If the importer/surety is a Limited company it may be added "its successors and assigns."

WHEREAS the Joint Chief Controller of Imports and Exports (hereinafter referred to as the Joint Chief Controller) which expression shall include the person for the time being performing the duties of the said Joint Chief Controller has permitted the importation and clearance of the goods specified in the Schedule hereunder written (hereinafter referred to as "the imported goods") against Licence No. dated at the port of of certain terms and conditions.

AND WHEREAS one of the terms provides that the importers will execute a bond along with one sufficient surety in the manner hereinabove written with such conditions as are hereunder.

NOW THE CONDITION OF THE ABOVE WRITTEN BOND IS SUCH that firstly, if the said importers shall within six months from .....or such further time as may be granted by the said Joint Chief Controller, export.....of the valut equal to the c.i.f. value of the imported goods to foreign countries excluding Nepal, Tibet, Sikkim, Bhutan and former Portuguese possessions in India.

Secondly, if the said importers and/or their surety shall procure and deliver or cause to be procured and delivered to the Joint Chief Controller within one month from the date of expiry of the aforesaid period evidence to prove that the said.....of the value equal to.....per cent,

APPENDIX 33—*concld.*

of the c.i.f. value of the imported goods have been exported as aforesaid and also evidence such as bills of lading, invoices, bank certificates, etc., showing that the rupee equivalent of the foreign exhange received in payment of the f.o.b. value of the goods so exported is not less than.... per cent of the c.i.f. value of the imported goods against the aforesaid licences, then the above written bond shall be void and of no effect. Otherwise, the bond will remain in full force and virtue. AND IT IS HEREBY DECLARED THAT

(a) The above written bond shall remain in full force and effect for a period of.....years from the date of importation of the said imported goods.

(b) Any forebearance act or omission on the part of the Government in enforcing the conditions of the aforesaid bond against the importers or any time being granted or any indulgence by the Government to the importers in connection therewith shall not discharge the surety.

(c) That this bond is entered into under the orders of the Central Government for the performance of an Act in which the public are interested.

(d) That the payment of the amount of the bond will not affect the liability of the importers to any other action (including refusal of further licences) that may be taken under the Import Trade Control regulations.

The stamp duty on this bond has been agreed to be paid by the Government.

Schedule of the imported goods referred to above.

IN WITNESS WHEREOF the parties hereto have duly executed these presents the day and the year first above written.

Signed, sealed and delivered by the.....within named imoprters. In the presence of

1.

2

(Witness should also give their occupation and address).

Signed, sealed and delivered by the .....within named surety in the presence of

1.

2.

(Witness should also give their occupation and address).

For and on behalf of the President of India

APPENDIX 34

(Para 97 of Chapter IV)

FORM OF RELEASE ORDER

Original for Applicant.
Duplicate for STC/MMTC
Triplicate for Sponsoring Authority
Quadruplicate for Office record

GOVERNMENT OF INDIA

MINISTRY OF FOREIGN TRADE

Office of the .....

Release Order No. ...../70

To

M/s. (Name and address of the Allottee.)

SUBJECT :—Allotment of ..... through the M.M.T.C /STC.

Gentlemen,

With reference to your application/letter dated.....on the above subject, I write to say that you may approach the S.T.C./M.M.T.C. for obtaining the allotment of the goods mentioned below :—

S. No.	*Description of the goods.*	*Qty. limit if any.*	*Value*	
			Figures.	*Words.*

2. This letter should be produced in original to the S.T.C./M.M.T.C.....

3. This release order will be valid for a period of twelve months from the date of issue.

Yours faithfully,

Dated.....

Controller

for .....

Seal.....

Issued from file No.....

Endt. No. ..... Dated.....

(1) M.M.T.C./S.T.C. (Attention .....) for necessary action.

APPENDIX 34—*concld.*

Statement of release orders issued during the week ending..... may please be referred to before action is taken on this advice.

2. (Sponsoring Authority) with refertnce to their letter/U.O. No..... dated.....for information.

Controller.

for.....

APPENDIX—35

(Para 145 of Chapter VI)

AN AGREEMENT made this ———— day of ———— 197... between ———————— a company incorporated under the Companies Act, 1966 and having its Registered Office at ———— (hereinafter referred to as "THE COMPANY" which expression shall include its successors and assignees) if the one part and the PRESIDENT OF INDIA (hereinafter referred to as "GOVERNMENT" which expression shall include his successors in office) of the other part.

WHEREAS the company has been granted an Import licence No. ———————— dated ———— for import of plant, machinery and equipment of the *c.i.f.* value of ————————.

AND/OR WHEREAS Government have communicated *vide* ———— ———————— to the company ———————— (name of the foreign firm) the terms and conditions to their proposed foreign investment/ technical collaboration arrangements with M/s.....

AND/OR WHEREAS Government have communicated to the Company vide Letter of Intent No. ———————— dated ———————— the terms and conditions of acceptance to their proposal for a grant of Industrial licence/substantial expansion of capacity.

AND WHEREAS as a condition of the said import licence for plant and equipment/approval of foreign collaboration/licence under the Industries act or letter of intent, the Government has stipulated that the Company must earn foreign exchange to the extent of Rs. ———————— lakhs annually/over a period of years (OR export ———————— per cent of its products) annually for ———— years/until such time as the full foreign exchange cost of the project (or twice, or any other multiple, of the foreign exhange cost of the project) amounting to Rs. ———————— lakhs has been realised by way of export earnings. The precise conditions would be approved in each case by the C. G. Committee/Foreign Investment Board/Licensing Committee).

Now this agreement witnesseth as follows :—

1. The Company shall earn foreign exchange (to the extent of Rs. ———————— Rupees ————————) by exporting (not less than Rs. ———————— lakhs/per cent of) its product to countries/areas other than Nepal, Sikkim, Bhutan

APPENDIX 35—*contd.*

and Afghanistan, annually for ——— Years/till such time as the total foreign exchange earnings realised from the exports amount to Rs. ————————.

2. Such export shall commence from eighteenth month after the commissioning of the plant and equipment/commencement of production (The plant shall be commissioned within the date specified in the Industrial licence). The production will commence on and from the ————————.

3. The Company shall furnish a report within a fortnight of the close of each financial year to the Chief Controller of Imports and Exports (Export Obligation cell), New Delhi, with a copy to the concerned Jt/Dy. Chief Controller of Imports and Exports, and another copy to the Ministry of Foreign Trade (Technical Assistance and Export Production Section), New Delhi, giving the following information for the previous financial year (or part of financial year for the first year of operation of the export condition as per paragraph 2 above) :—

(a) Production (in terms of quantity as well as book value);

(b) Exports (in terms of quantity and the f.o.b. value) giving particulars of goods exported, their quantity and f.o.b. value, countries to which exported.

all above data being duly certified by a chartered accountant.

4. The company shall also submit to the Chief Controller of Imports and Exports with a copy to the concerned Jt./Dy. Controller of Imports and Exports, within six months of the close of each financial year, bank certificates in original showing realisation of foreign exchange against exports made during the previous year in fulfilment of the export obligation, and such other documents as may be demanded by the Chief Controller or concerned Jt./Dy. Chief Controller of Imports and Exports as further evidence in support of the foreign exchange earned in the previous year in fulfilment of the terms and conditions of this agreement.

5. If in any given year, the Company is not able to export goods worth Rs. ———————— lakhs (———— per cent of its output) the company shall, on the instructions of the concerned Jt./Dy. Chief Controller of Imports and Exports or Chief Controller of Imports and Exports, New Delhi, hand

APPENDIX 35—*contd.*

over to the State Trading Corporation or such other Agency as the Government (including the CCI&E, New Delhi) may nominate (hereinafter referred to as 'The Agency') twice the difference between the stipulated annual commitment/obligation and actual exports (subject to a maximum of ———— per cent) of the ———— produced during the year, for export by the Agency at such prices as it is able to obtain abroad. The Company shall, in addition, pay simultaneously a sum of Rs. ——— lakhs (This would be equal to 5 per cent of the export obligation subject to a maximum of Rs. 5 lakhs) by way of "liquidated damages" to the Agency. The Agency, after export and realisation of sale proceeds of the aforesaid ————————as expeditiously as possible, shall give to the Company the rupee equivalent of the net foreign exchange earned by the Agency on such export after deducting such expenses (including the Agency's normal commission) as have been incurred by the Agency.

6. The value and/or the quantity representing the difference between the stipulated annual export commitment/obligation and the actual exports made and also the amount representing 5 per cent of the annual export obligation by way of liquidated damages shall be determined by the Jt./Dy. Chief Controller of Imports and Exports or the Chief Controller of Imports and Exports and the decision of the said authorities shall be final and binding on the company. While determining the value and/or quantity, the said authority will, if it considers necessary, give an opportunity to the company to produce such evidence as it can in support of the determination of the value and quantity for this purpose.

7. If in any year the Company exports ———————— in excess of ———————— per cent of its output/in excess of Rs. ————————, as required in terms of the conditions laid down, such excess will be eligible for being set off against the shortfalls, if any, in subsequent year(s).

8. In the event of the Company failing to fulfil the obligations undertaken by it as aforesaid in any year, except when the fulfilment or such obligations is prevented or delayed, because of any law, order, proclamation, regulations or ordinances of the Government, the Government shall be free to take possession of the ———————— produced by the company and take such

APPENDIX 35—*concld.*

other action as it may consider necessary in addition to recovering liquidated damages in terms of clauses. Any order issued by the Government in this regard shall be final and binding, and the Company hereby undertakes to comply unconditionally with such an order.

9. Any stamp duties payable on this document or any documents executed thereunder shall be borne by the Company.

In witness whereof the Parties hereto have executed these presents on ———————— day of ———————— 197...

PRINTED BY THE MANAGER, GOVERNMENT OF INDIA PRESS, FARIDABAD
AND PUBLISHED BY THE MANAGER OF PUBLICATIONS, DELHI, 1970